

Tracking USAID's Efforts on the Local Solutions Initiative

A Review of Select Procurements in Six Countries



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I. Background

In 2010, the United States Agency for International Development (USAID) launched a reform agenda called *USAID Forward*, aimed at “embracing new partnerships, investing in the catalytic role of innovation and demanding a relentless focus on results.”¹ *USAID Forward* spurred various inter-related initiatives within the agency, including some specifically dealing with aid effectiveness to help the U.S. Government fulfill its commitments to the Paris Declaration on Aid Effectiveness as well as subsequent agreements in Accra, Busan and Mexico. These include, but are not limited to, the Country Development Cooperation Strategies (CDCS), Local Solutions initiative (formerly known as Implementation and Procurement Reform or IPR) and the 2011–2015 USAID Policy Framework.

Country Ownership is “***the practice of partner countries taking the lead in designing and implementing clearly defined development strategies and managing their own development processes.***”

USAID ADS Chapter 220 – Partial Revision, 03/26/2012

After four years of implementation, the agency and international aid community are beginning to examine the results of *USAID Forward*. USAID issued progress reports in 2012 and 2013 that cover all the reforms under this agenda. **Included in the reports was progress made on the Local Solutions initiative, which aims to strengthen partner-country capacity to implement programs, enhance and promote country ownership, and increase sustainability.**² However, because progress reporting on Local Solutions relies on only one indicator – percentage of USAID Mission funding obligated to local institutions – trends in the other key areas of country ownership, capacity building, and sustainability are very difficult

to assess. A recent study conducted by the Government Accountability Office (GAO) released in April 2014 also examined the progress of USAID’s implementation of the Local Solutions initiative.³ Using the single indicator, the GAO assessed the extent to which USAID had demonstrated progress toward achieving its 30 percent target of Mission direct funding to local institutions by 2015. In addition, it tracked progress on the three aforementioned goals. The GAO recommended that the USAID Administrator “identify additional indicators to better capture progress toward the Local Solutions initiative’s goals.”

Since 2008, Save the Children has advocated for more effective U.S. foreign assistance, and, similarly to the GAO, sees an opportunity for USAID to adopt additional indicators that will allow its Missions to better evaluate the breadth and depth of their Local Solutions initiative-related interventions. The goal of promoting country ownership is central to USAID’s efforts to help developing countries assume full responsibility for their own development in the long run.

II. Research Scope and Methodology

I. Scope

This research analyzes a sample of 55 (out of 103 identified) procurements issued by USAID Missions in 2009 (the year before the launch of *USAID Forward*), 2012, and 2013 in six countries **to track how they address country ownership over time, and across different countries.**⁴ The six countries are: Bangladesh, Dominican Republic, Haiti, Kenya, Philippines, and Uganda.

Procurements – also known as *mechanisms or instruments* – are an essential element of USAID's Program Cycle.⁵ They are one of the primary means by which the agency designs, implements, and later evaluates its activities. Procurements are also used to evaluate USAID's policies and related strategies. If USAID procurements contain the key criteria of country ownership, the agency's partners – including cooperating agencies, contractors, civil society organizations, and host governments – will likely address these criteria in their proposals, when bidding on these procurements, and when implementing resulting projects or activities.

“These principles of effectiveness – host country ownership and strategic partnering – should be applied appropriately throughout the Program Cycle”

“USAID Program Cycle Overview,” December 9, 2011, page 4.

The six countries in this study were selected from the *high-investment countries* identified in the GAO's April 2014 report on Local Solutions and based on the need for diverse geographical representation. *High-investment countries* are countries where USAID made the most Local Solutions-related investments in 2012 in order to achieve its fiscal year 2015 30 percent target for direct funding to local institutions. **High-investment countries were selected for this study because they would have a greater diversity of country ownership-related programming, thus providing more opportunities for learning.**

2. Methodology

To select the procurements for this analysis, a wide net was cast to identify all publicly available procurements issued by USAID Missions in these countries in 2009, 2012, and 2013. The *USAID Forward* launch year 2010 as well as 2011 were considered too early for noticeable implementation reforms and were therefore left out. In all, 103 procurements were identified – a random mix of mainly Request For Assistance (RFA or grant) and Request For Proposal (RFP or contract) issued by country and regional Missions and central bureaus.⁶ The number of procurements per year, per country, and per sector varied considerably – see Procurement Details table in Annex I. Fifty-five procurements were selected out of the 103 identified for data gathering and analysis, with the aim of a balanced distribution across year, country, sector, and procurement type, and the goal of reviewing at least 50 percent of the gathered procurements.⁷

To review the procurements selected, **four country ownership criteria** were adapted from the U.S. Government Interagency Paper on Country Ownership and the Modernizing Foreign Assistance Network's “Way Forward: A Reform Agenda for 2014 and Beyond.”⁸ These criteria are:

1. **Support to country priorities** (specific host country priorities or plans referenced);
2. **Local participation in project implementation** (local institutions' roles as lead project implementers or sub-grantees/sub-contractors);
3. **Local access to resources** (USAID Mission direct funding to local institutions); and
4. **Accountability to local stakeholders** (alignment of project indicators with those in the host country plan, local participation in project performance monitoring and oversight, or mechanisms to share project results with local stakeholders).

Procurements received a score of either 5, 3, or 1, depending on the existence or lack of specific attributes or characteristics under each country ownership criteria – see Scoring Matrix on the 4 Country Ownership Criteria table in Annex I. For example, under the *support to country priorities* criteria, a procurement received a score of 5 if it referenced a specific host country priority or plan it intended to support; a score of 3 if it only recommended measures for the participation of local institutions in project activities instead; and a score of 1 if it had neither. **Because of the importance of USAID Mission direct funding to local institutions, this characteristic was weighted in the methodology. For example, USAID direct funding to local institutions is a determining characteristic for local access to resources and participation in project implementation.**

Further, a bonus point was awarded to procurements that explicitly referenced USAID Forward or other U.S. Government policies promoting country ownership principles. An additional bonus point was given to those that required the potential contractor or grantee to provide a sustainability plan. Ultimately, each procurement could therefore receive a high score of 5 points for each criterion for a total of 20 points and 2 bonus points for a possible total score of 22 points. A detailed scoring matrix can be found in Annex I.

In addition, an anonymous survey of 80 USAID Mission Directors was conducted to gauge their perspectives on issues related to country ownership implementation. Although the 21 percent response rate did not meet minimum requirements for inclusion in the research data, the responses (and particularly the comments received) provide insights into the challenges and opportunities facing USAID Missions in their attempt to translate *USAID Forward* into practice. Some of these comments are highlighted throughout this report and have been edited to ensure anonymity. A summary of the survey responses can be found in Annex 4.

3. Limitations

Local contribution to project results was an additional criterion considered but proved difficult to score in this exercise. There are three possible ways in which local institutions can contribute to USAID's project results: direct implementers, sub-grantees or sub-contractors, and local institutions not receiving any type of funding from USAID. The contribution of local institutions to USAID results could help assess the capacity of these institutions more accurately. This criterion should be considered when using this methodology at the project implementation level, after the procurements have been awarded.

Initially, the research aimed to compare and contrast procurements released before and after *USAID Forward*. However, due to limitations on how long procurements remain publicly available, the majority of the procurements identified were in years 2012 and 2013. The procurement sample for 2009 was too unevenly distributed across the six countries (eight procurements across three countries) and did not allow for overall comparison between pre- and post-*USAID Forward* periods.

This report focuses only on USAID's internal efforts – through its procurement process – to implement its goal of promoting country ownership. The research did not perform any analysis beyond the content of the procurements reviewed. However, supporting policy documents from USAID, USAID Missions, and partner country governments were reviewed to provide context for national development plans and initiatives mentioned in the procurements.

Although proposals responding to USAID procurements tend to adhere to the content and requirements in these procurements, it is fair to assume the possibility of a different reality on the ground during award negotiations and project implementation.

Finally, government-to-government agreements and related funding mechanisms that are also part of the Local Solutions initiative were not analyzed for this review because information on these agreements is not publicly available.

III. Research Findings

1. A systematic approach to tracking and reporting on country ownership implementation is feasible and informative.

This research illustrates a revealing and reliable approach for assessing the consistency of USAID's multifaceted efforts to implement the Local Solutions initiative and promote country ownership throughout its Program Cycle. It could help USAID capture and share the type of comprehensive implementation update that the Local Solutions initiative is currently missing. The USAID Program Cycle includes different stages and levels related to policy and strategy development, country development cooperation strategy formulation, project design, project implementation, performance monitoring, program evaluation, and learning and adapting to improve development outcomes. This approach could be used for tracking and analyzing progress on country ownership implementation at any relevant level of the Program Cycle, from the agency's intentions (as laid out in policies and funding mechanisms) to the implementation of funded activities and their outcomes. Finally, a systematic approach also has the advantage of creating a *management awareness* of Missions' operations based on facts or data that can prevent conflicting perspectives on their work. For example, the Mission Directors Survey responses show that responding Missions overwhelmingly fund local institutions (#7) and jointly plan and co-finance projects with local institutions (#8), but the majority of them do not allow country voices in Missions' funding decisions (#4). Annex 2 shows additional analytics possible with a systematic approach.

2. Countries reviewed show efforts on integrating country ownership principles.

Average scores across countries are encouraging. This might be a result of USAID's significant resource flows in these countries to implement the Local Solutions initiative. The *Procurement Scores Across Countries* graph below shows average procurement scores in each country in 2012 and 2013. **While acknowledging that a two-year period is not long enough to constitute a trend, the changes in scores**

between 2012 and 2013 are noticeable and create a level of awareness that should be significant to USAID. Bangladesh and Uganda appear to have improved most from 2012, followed by the Philippines, Kenya, and the Dominican Republic. Only Haiti shows a slide back from the previous year.

Several factors may explain the difference in procurement scores across countries, including factors outside of USAID Missions' control. Each USAID Mission is responsible for formulating its own procurements or endorsing and participating in multi-country procurements issued by USAID bureaus or regional Missions. There are also differences in context-specific approaches from Mission to Mission that are reflected in the Missions' Country Development Cooperation Strategies (CDCS). Five of the six countries have approved CDCS in place.⁹ Most of these CDCSs are in the early stages of implementation, but they outline USAID's commitment to promoting country ownership, including strengthening its engagement with local stakeholders.

Procurement Scores Across Countries



Average total score for each country, 2012-2013. Score out of 22.0 points includes 5.0 points per Country Ownership Criteria and bonus points for U.S. Policies and Sustainability.

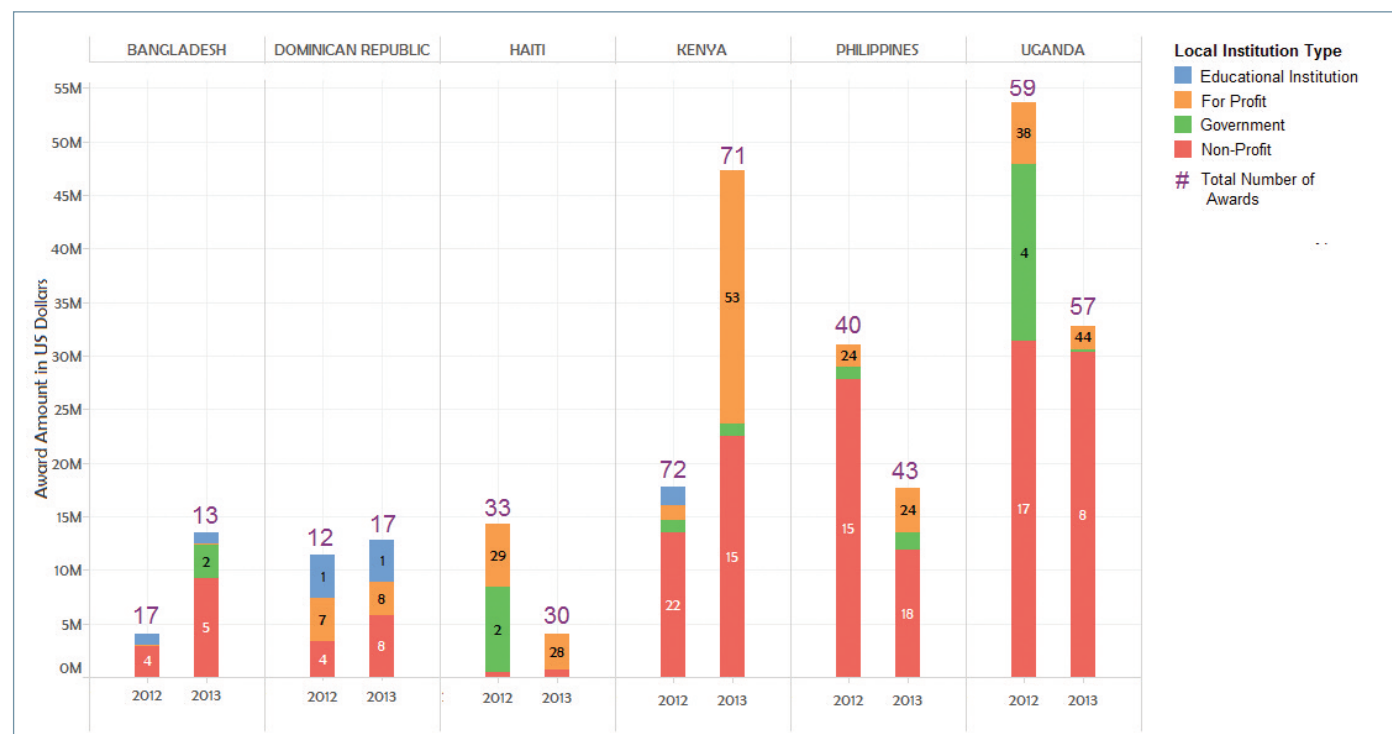
Another significant differentiator is the number of procurements falling under U.S. Government initiatives that integrated country ownership principles in their formulation, such as Feed the Future, the Global Health Initiative, the Global Climate Change Initiative, and the Partnership for Growth. These procurements integrated country ownership objectives more effectively than procurements outside of these initiatives. Countries with the majority of procurements under these initiatives also tended to score higher. This is because, in procurements used to implement these initiatives, USAID requested proposals that often addressed all four criteria used in this study. For example, U.S.-Haiti Feed the Future Partnership: Northern Corridor procurement (RFP SOL-521-12-000021), issued by USAID Haiti in 2012, sought to increase agricultural incomes in Haiti's Northern Corridor. The procurement required proposed activities to: (1) support Haiti's National Agricultural Investment Plan; (2) receive guidance in some instances from the Ministry of Agriculture and/or other capable local organizations; (3) provide sub-grants and sub-contracts to local organizations to implement activities; and (4) use Feed the Future Indicators and involve the Ministry of Agriculture and other local organizations in monitoring and evaluating activities, including a complete transition to full local implementation in Year 4.

3. The procurements reviewed address the country ownership criteria satisfactorily.

The majority of procurements reviewed did well across three of the four criteria. For example, 92 percent of the procurements reviewed referenced specific country plans or priorities they intended to support, and 90 percent recommended some sort of mechanisms be put in place during the implementation phase to share project results with local stakeholders. Only 20 percent aimed to establish direct partnerships between USAID Missions and local institutions.¹⁰ However, had government-to-government agreements been publicly available and included in this sample, it is likely that the scores under this criteria would have been slightly higher.

Overall, these scores provide a solid basis for the USAID Missions' intentions to promote country ownership and lay the ground for monitoring progress during the implementation phase, after these procurements have been awarded. For example, in this study, the *Local participation in project implementation* criteria showed a slight decrease in score between 2012 and 2013, which could be due to a decrease in USAID Mission funding (direct or indirect) provided to local institutions or the unsuccessful launch of projects involving local institutions¹⁰ (see *Procurement Scores Across Country Ownership Criteria* graph in

Total Award Amounts and Number of Awards by Country, 2012-2013



Sum of Awarded Amount (in U.S. Dollars) per year broken down by Country. Color shows details about institution Type. Labels specify number of awards.

Annex 2). To investigate this drop in scores, the study reviewed data reported by USAID on Missions' direct funding to local institutions in 2012 and 2013. The following graph – *Total Award Amounts and Number of Awards by Country, 2012–2013* – summarizes the findings.¹¹ It shows a slight decrease in the number of local partners in Bangladesh (17 to 13), Haiti (33 to 30), Kenya (72 to 71), and Uganda (59 to 57). In Bangladesh and Kenya, however, the total award amount doubled from 2012 to 2013, despite the slight decrease in the total number of local partners.

4. RFAs and RFPs scored equally on the four country ownership criteria.

The 55 procurements were also analyzed to find out whether RFAs (also referred to as cooperative agreements or grants) or RFPs (also referred to as contracts) were more conducive to implementing country ownership principles. The prevailing wisdom is that the flexibility and relatively limited oversight associated with grants and cooperative agreements make RFAs more conducive to address thematic issues such as the goal of promoting country ownership than RFPs or contracts.¹² **At the procurement formulation stage, the data show no significant difference between these two mechanisms.**¹³ The difference might be at the project or activity implementation level. Nonetheless, the lack of clear difference at this critical stage raises questions about the likelihood of a practical difference at the implementation level. A detailed scoring under each criterion is provided in Annex 2c.

“The PMP will include benchmarks for program performance over the course of the implementation period and contain metrics to assess country ownership and the sustainability of successful interventions introduced with program support.”

Performance Monitoring Plan (PMP) requirement for RFA-OAA-12-000011, page 34, Dominican Republic.

“[There is a] significant cost share element with the Host Government, over 50 percent [of] many programs minus security costs.”

Comment from USAID Mission Directors Survey responses (on joint planning and co-financing, #8).

5. Critical data within USAID's reach is not being used to better understand the agency's efforts to implement country ownership.

It would have been unproductive to review the 55 procurements for country ownership compliance using only the Local Solutions' single indicator: *percentage of USAID Mission funding obligated to local organizations in partner countries*. The overall purpose and structure of each of these procurements would have been missed. Each country ownership criterion required the consideration of at least one or two additional characteristics. For example, to get a true sense of how much USAID funding flows to local institutions, sub-grants or sub-contracts to local institutions were also tracked, in addition to the USAID Mission direct funding targets. **All data on sub-grants and sub-contracts are readily available through USAID grantees' and contractors' approved budgets.** Such information is one tool USAID could use to collect more quantitative and qualitative data about its interventions. Yet, the aggregated amount of USAID Mission funding channeled this way to local institutions annually and over time is unknown.

Similarly, most of the procurements reviewed, and particularly the RFAs, encouraged cost share as an important element of the USAID-recipient relationship. In Kenya, the Mission is also exploring the use of a “Partnership Fund” to raise additional resources from the local private sector. **The resources USAID leverages through cost share, co-financing, and other means from local institutions – host government agencies, civil society organizations, and local private sector actors – might not be significant compared to the agency's own contributions, but they should be nonetheless tracked and monitored across projects and activities, and over time.** They complement USAID Missions' own resources and demonstrate local commitment to the agency's development objectives.

In general, all procurements reviewed for this analysis required grantees and contractors to address specific issues or to collect specific information that had relevance for the Local Solutions' three main goals. USAID Missions collect a wealth of information through their projects and activities. For example, in RFA-OAA-12-000011 issued for the Dominican Republic, USAID required applicants to provide metrics on *how to measure country ownership and sustainability of activities*. It is safe to assume that all the responses to this RFA, including the winning bid, provided a number of metrics on these two issues for USAID's consideration. Tracking and analyzing this readily available information in a standardized way would greatly inform and expand the agency's efforts on the Local Solutions initiative.

6. A shared definition of success is still lacking.

Local access to information is necessary for stimulating local engagement. Engagement leads to stronger ownership, which in turn is an essential step toward the sustainability of each procurement's programmatic objectives. Valuing and meeting the "need to know" of local stakeholders is quite new and different from USAID's usual focus on donor-grantee or contractor accountability mechanisms. It is therefore encouraging that the CDCSs of the countries reviewed contain plans to take initial steps to improve on this criterion. For example, as part of its Collaborating Learning and Adapting (CLA) agenda, USAID Uganda plans to conduct at least one portfolio review a year with all partners and stakeholders.¹⁴ Similarly, USAID Kenya plans to use Project Implementation Committees with host government representation to foster "joint management and implementation" and dialogue throughout the Program Cycle.¹⁵

"Mostly, [the] Mission uses Washington-developed standard indicators, and there was no indicator harmonization exercise done with host country."

Comment from USAID Mission Directors Survey responses (on use of host country indicators, #9).

However, **the most meaningful way for USAID to improve its accountability to local stakeholders is to share the same vision and definition of success with local institutions, based on indicators that are jointly**

agreed upon. This might require a joint and open exercise to harmonize indicators between USAID's supported projects and activities and the host country priorities they intend to support. In this study, only a limited number of procurements, mostly in the health (HIV/AIDS) and education sectors, recommended using the same indicators as those in the host country plans they intended to support. Promoting country ownership requires both host countries and donors to improve the way they do business. **Host country priorities and plans need strong indicators to achieve their objectives, and USAID should help address that need whenever it arises.** Doing so would strengthen the monitoring and evaluation systems that these plans are based on, by ensuring that they employ stronger indicators, and making it easier for donors to align their investments and objectives.¹⁶

7. The role of local institutions in USAID projects is broader than reported.

In addition to the 20 percent of procurements intended to fund local institutions directly, through limited competition, 75 percent of the procurement sample studied allowed the use of sub-grants and sub-contracts to fund local institutions.

"This year we obligated 39% of our funds directly with the local government or local companies/NGOs. We expect to reach 52% next year."

Comment from USAID Mission Directors Survey responses (on funding local institutions, #7).

Yet, USAID monitors only program budgets and the results provided by direct grantees or contractors who are charged with managing, consolidating, and reporting on the work of their sub-grantees and sub-contractors. This business process might be missing an important step on the country ownership continuum, which is fostering relationships with local institutions that can deliver development projects. With USAID's reporting requirements in the procurements studied focusing only the primary partner, the work of hundreds of local organizations could go unrecognized because they are unattributed in consolidated programmatic reports by USAID's primary partners. **In addition to the important goal of working directly with local institutions, USAID has an opportunity through its**

sub-grants and sub-contracts to lay the foundation for future partnerships with local institutions. This could be done by tracking and documenting results delivered by local sub-grantees and sub-contractors in ways that could inform other aspects of its development objectives. This would generate useful information for the

agency to help (a) understand the local institutional ecosystem, (b) determine the status of local capacity and its true (*not perceived*) ability to carry out any given development objective, and, most importantly, (c) define the necessary capacity-building investments and their expected outcomes over time.

IV. Recommendations

Recommendation 1: USAID should conduct a comprehensive review of efforts across Missions implementing the Local Solutions initiative.

Despite the inherent complexity, the Local Solutions initiative needs a comprehensive assessment of its efforts to identify and share its early successes and challenges. The content of the 55 procurements reviewed in this study shows USAID's multifaceted efforts to promote country ownership. Unfortunately, similar conclusions cannot be made of the hundreds of other USAID procurements issued in 2012 and 2013 across the other 71 USAID Missions implementing the Local Solutions initiative in the developing world because this study focused only on a sample of high-investment countries.¹⁷ A comprehensive assessment is therefore needed.

Four years of implementation of the Local Solutions initiative is a long enough timeframe to start reviewing at least how and to what extent the agency's reformed business processes address the initiative's goals at key stages of its Program Cycle – i.e., project design and implementation. Such a review should be structured and systematic – based on defined criteria and related characteristics – to allow for tracking and analyzing efforts over time and across countries, interventions, and sectors. This type of assessment would help USAID identify and address emerging challenges, and investigate and learn from promising practices across Missions, as well as provide a timely progress update to the development community.

Recommendation 2: USAID should adopt additional standardized indicators to complement its current single indicator and begin to track country ownership implementation more broadly.

The Local Solutions initiative's single indicator fails to provide an overview of the efforts it takes to promote country ownership. For example, to be meaningful, USAID's *support to country priorities* should be put into context, in terms of change over time in the proportion of the agency's projects and activities aligned with these priorities vs. those that are not. Similarly, if resources are spent to build the capacity of local institutions to receive funding directly from USAID, the annual results of this effort in terms of the number of new local partners – i.e., local institutions graduating from sub-grantee or sub-contractor status to prime – in the fiscal year is critical information to evaluate the success of the initiative. Potential indicators based on characteristics recurring consistently across the procurements reviewed include:

- Number and percentage of projects supporting specified country priority or plan;
- Number of new local institutions leading project implementation in the fiscal year;
- Number of local institutions implementing sub-grants or sub-contracts;
- Total value and percentage of project funds awarded to local institutions in the fiscal year (disaggregated by type of funding);

- Value and percentage of project funds contributed by local institutions;
- Number and percentage of projects with results achieved by local institutions;
- Number and percentage of projects with a sustainability plan;
- Number and percentage of project indicators aligned with indicators in host country development plans;
- Number and percentage of USAID-funded projects with oversight or steering structures that include local institutions.

These standardized indicators would allow all USAID Missions to speak the same language, and to compare “apples to apples” across countries and over time. The data needed to report on these indicators are readily available across USAID Missions.¹⁸ An Indicator Matrix with detailed information, including sources of data for reporting, is in Annex 3.

Recommendation 3: USAID should require disaggregated reporting of funding to and results delivered by local sub-grantees and sub-contractors.

Over 75 percent of the procurements analyzed allow for the use of sub-grants and sub-contracts to engage local institutions in USAID-funded activities. Local recipients implement specific activities proportionate to the funding received, and report their results to USAID through their lead implementing partners. However, in practice, they have no official relationship with USAID. The agency should find creative, but practical, ways to pay more attention to this group of local institutions. It could use sub-grants and sub-contracts as a means to initiate and nurture relationships with them, in ways that still preserve the “prime/sub” rapport per USAID’s own rules and regulations. Moreover, sub-grants and sub-contracts could also be used to intentionally build a pipeline of future local primary partners to carry forward the development objectives of the agency. USAID should therefore approach sub-grants and sub-contracts with an explicit learning agenda, broader than, but inclusive of, its financial accountability needs.

V. Conclusion

The study shows that the use of a structured and systematic approach to assess country ownership implementation is informative. The approach modeled in this paper could be adapted and scaled for tracking efforts over time, and across multiple interventions and countries. This type of analysis of the Local Solutions initiative is urgently needed as we enter its fifth year of implementation.

On average, the procurements across these high-investment countries performed well. Their formulation reflected, to some degree, efforts at the USAID Missions level to support country priorities, promote local participation in the implementation of USAID-supported projects, facilitate local access to USAID funding, and be accountable to local stakeholders. The research covered procurements across only six of the 77 countries where the Local Solutions initiative is being implemented. USAID should therefore undertake a more exhaustive review across its portfolio to better document its efforts to promote country ownership.

There is more to promoting country ownership than the amount or proportion of USAID Mission funding

obligated to local institutions. While this is an important and accurate indicator for measuring USAID's fiscal year 2015 target of 30 percent, it is simply not sufficient to comprehensively monitor and assess the agency's goal of promoting country ownership. The Local Solutions initiative's reliance on this single indicator has led the agency to miss capturing other critical aspects of implementing the goal, and could thereby undervalue the local expertise, commitment, and resources that are so critical to the country ownership process.

The additional indicators suggested in this report could allow USAID to capture the breadth and depth of its efforts to implement the Local Solutions initiative, and provide much-needed comprehensive reporting on progress and challenges. The procurements reviewed show that most of the data needed to inform these indicators is already being collected at the Missions level.

Overall, for the *USAID Forward* reforms to generate the expected impact, the agency must monitor meticulously and learn from each stage of their implementation, including the critical Local Solutions initiative.

VI. Annexes

I. Research Methodology

Scoring Matrix on the Four Country Ownership Criteria

A procurement received either 5, 3, or 1 points depending on the existence of specific language describing attributes or characteristics of each criteria as follows:

Country Ownership Criteria	Characteristics (Score of 5)	Characteristics (Score of 3)	Characteristics (Score of 1)
Support to country priorities	Specific country priority referenced	Participation of local institutions in project implementation	Neither
Local participation in project implementation	- Lead implementer or - Sub-grantee /sub-contractor	Participation of local institutions in project activities without USAID funding	Neither
Local access to resources	Direct funding	Only sub-grants/ subcontracts recommended	Neither
Accountability to local stakeholders	- Alignment of indicators or - Role in performance assessment & oversight or - Sharing of results	Only USAID - grantee/contractor accountability required	Neither

Scoring Examples

- **Support to Country Priorities:** RFA-617-13-000004 in Uganda seeking to address climate change through a Feed the Future partnership received 5 points for supporting the National Development Plan and the Ministry of Water and Environment's strategy on climate change resilience.
- **Local participation in Project Implementation:** In Bangladesh, RFA-388-13-000008 seeking to promote wildlife and environmental conservation received 5 points because the lead implementer role was limited to Bangladeshi organizations.
- **Local access to Resources:** RFP SOL-521-13-000013 in Haiti supporting post-earthquake reconstruction received 1 point for not recommending direct funding or sub-contracting as a means to fund Haitian institutions.
- **Accountability to local stakeholders:** RFA- OAA-14-000001 promoting an AIDS-free generation in the Dominican Republic received 5 points for seeking to align project indicators and reporting requirements with the national HIV/AIDS monitoring and evaluation plan.

Procurement Details

Region	Africa		Latin America / Caribbean		Asia	
Country	Kenya (11)*	Uganda (11)	Haiti (9)	Dominican Republic (6)	Bangladesh (10)	Philippines (8)
Procurement Types						
RFA	8	6	4	6	8	3
RFP	1	5	5	0	2	5
APS	2	0	0	0	0	0
Competition Types						
Limited Competition	3	3	1	2	1	1
Open Competition	8	8	8	4	9	7
U.S. Initiatives						
Feed the Future	4	4	3	2	0	0
Partnership for Growth	0	0	0	0	0	5
Global Climate Change Initiative	1	2	1	2	3	1
Global Health Initiative	1	1	4	1	1	1
Major Sectors						
Agriculture	4	2	2	2	0	0
Education	2	1	0	1	2	2
Environment	0	2	0	0	2	2
Business	1	1	1	1	0	2
Health	2	2	4	1	2	1
Governance	1	2	1	1	2	1
Other	1	1	1	0	2	0

* (11) represents total procurements per country.

2. Data Analysis of the 55 Procurements

a. Procurement Scorecard for 6 countries, 2009, 2012, 2013.

Year	Country	Procurement	Country Priorities	Implementation	Resources	Accountability	Bonus US Policies	Bonus Sustainability	Total Score
2009	Bangladesh	RFA-388-09-0...							20
		RFA-388-09-0...							19
		RFA-388-09-0...							17
		RFA-388-09-0...							15
2009	Kenya	USAID-M-OA...							16
		RFA-617-09-0...							21
		RFA-617-10-0...							20
		RFP-617-09-0...							20
2012	Bangladesh	RFP # SOL-38...							22
		RFA # RFA-3...							20
		RFA # RFA-3...							20
		RFP # SOL-38...							20
	Dominican Republic	RFA-OAA-12...							19
		RFA No. RFA-...							16
		RFA- No. SOL...							20
	Haiti	RFA-OAA-12...							19
		RFA-521-12-0...							20
		RFP # SOL-52...							20
		RFP # SOL-52...							20
	Kenya	RFP # SOL-52...							17
		RFA No. RFA-...							16
		RFA-615-12-0...							21
		APS No. APS-...							20
	Philippines	RFA # SOL-6...							20
		RFA-623-12-0...							19
		RFA-492-12-0...							20
		RFA-492-12-0...							20
	Uganda	RFP-492-12-0...							20
		RFP-492-12-0...							20
		RFP-492-12-0...							19
		RFP-492-12-0...							20
2013	Bangladesh	RFA-388-13-0...							22
		RFA-388-13-0...							20
	Dominican Republic	RFA-OAA-13...							19
		RFA-OAA-14...							20
	Haiti	RFA -SOL-OA...							19
		RFA # RFA-O...							19
		RFP # SOL-52...							20
	Kenya	RFA-OAA-13...							19
		RFP # SOL-5...							15
		RFA # RFA-O...							19
		RFA-OAA-13...							19
	Philippines	APS No. SOL...							22
		RFP # SOL-62...							20
		RFA # SOL-6...							20
		RFP-492-13-0...							19
	Uganda	RFA-492-13-0...							22
		RFP-492-12-0...							20
		RFA-617-13-0...							22
		RFA-617-13-0...							22
	Uganda	RFP-617-13-0...							19

Notes:

U.S. Policies scores the existence of explicit language in a procurement referencing the Paris Declaration on Aid Effectiveness, U.S. Government bilateral initiatives promoting country ownership principles, and/or specific initiatives under *USAID Forward*;

Sustainability scores explicit request in a procurement for potential contractors or grantees to provide a sustainability plan for their proposed activities.

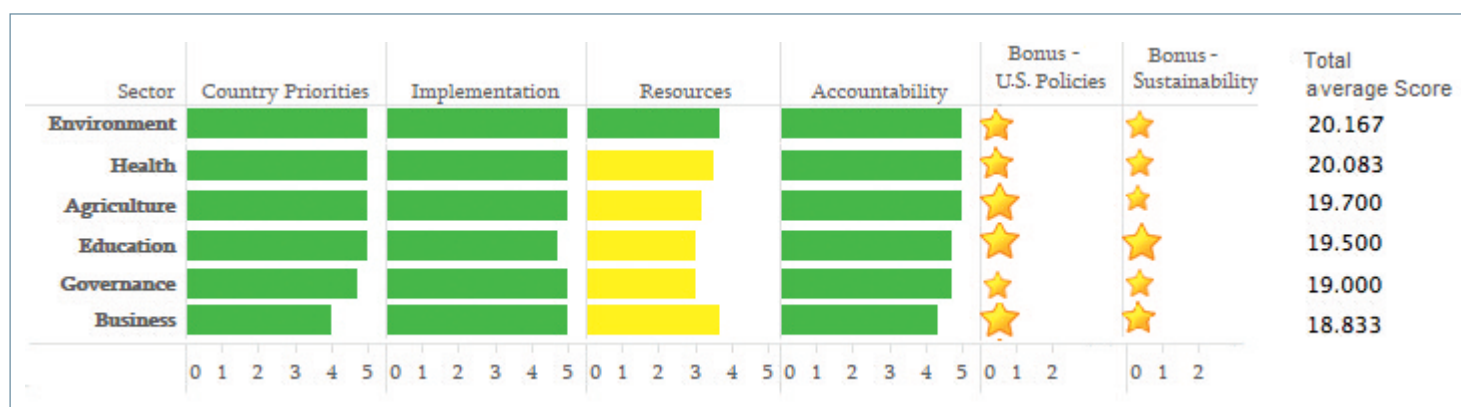
Total score per procurement out of 22.0 points: 5.0 points per Country Ownership Criteria, 1.0 point for U.S. Policies, and 1.0 point for Sustainability. Procurements ordered by year and country. Green bars signify a Country Ownership score of 5.0. Yellow bars signify a Country Ownership Criteria score of 3.0. Red bars signify a score of 1.0. Stars represent 1.0 bonus point earned.

b. Procurement Scores Across Country Ownership Criteria



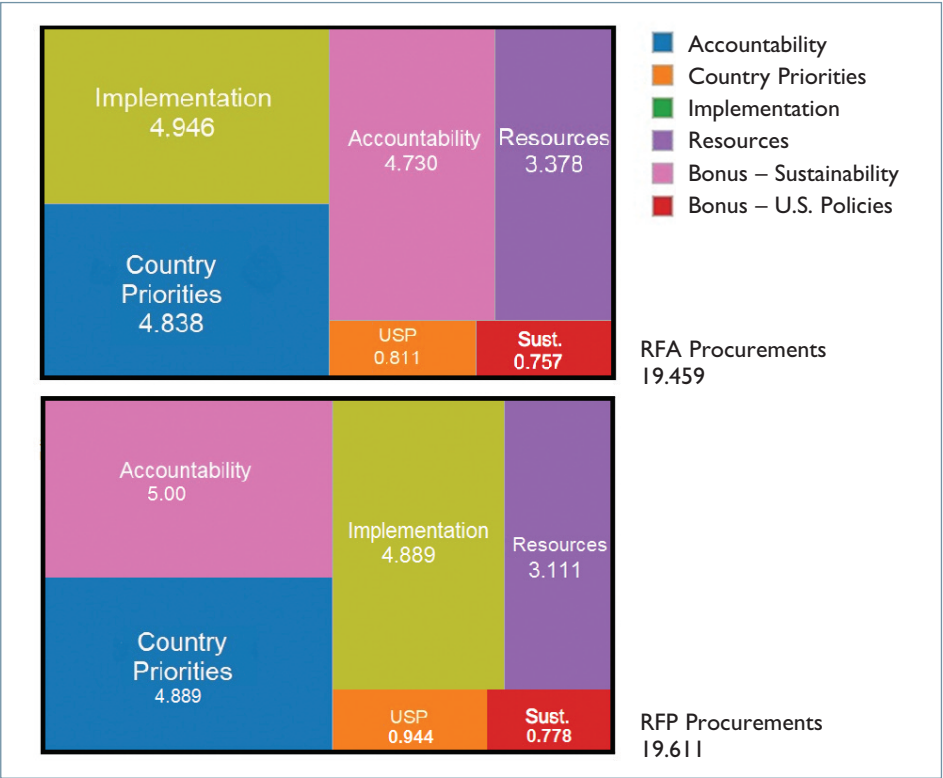
Average score out of 5.0 points per year across the Country Ownership Criteria.

c. Average Procurement Scores Across Sectors



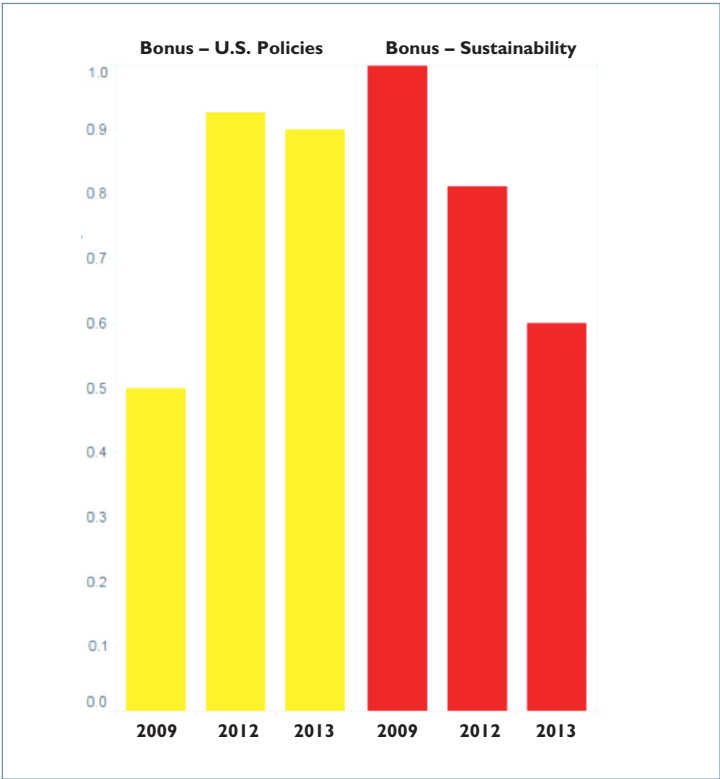
Total Average score out of 22.0 points for selected sectors with three or more procurements in 2009, 2012, and 2013. Score includes 5.0 possible points per Country Ownership Criteria, 1.0 possible points for U.S. Policies, and 1.0 possible points for Sustainability. Sectors ordered by total average score. Size of stars proportional to average bonus area.

d. RFA and RFP Across Country Ownership Criteria



RFA and RFP Procurements compared by Total Average Score and broken down by Country Ownership Criteria.

e. Bonus Scores



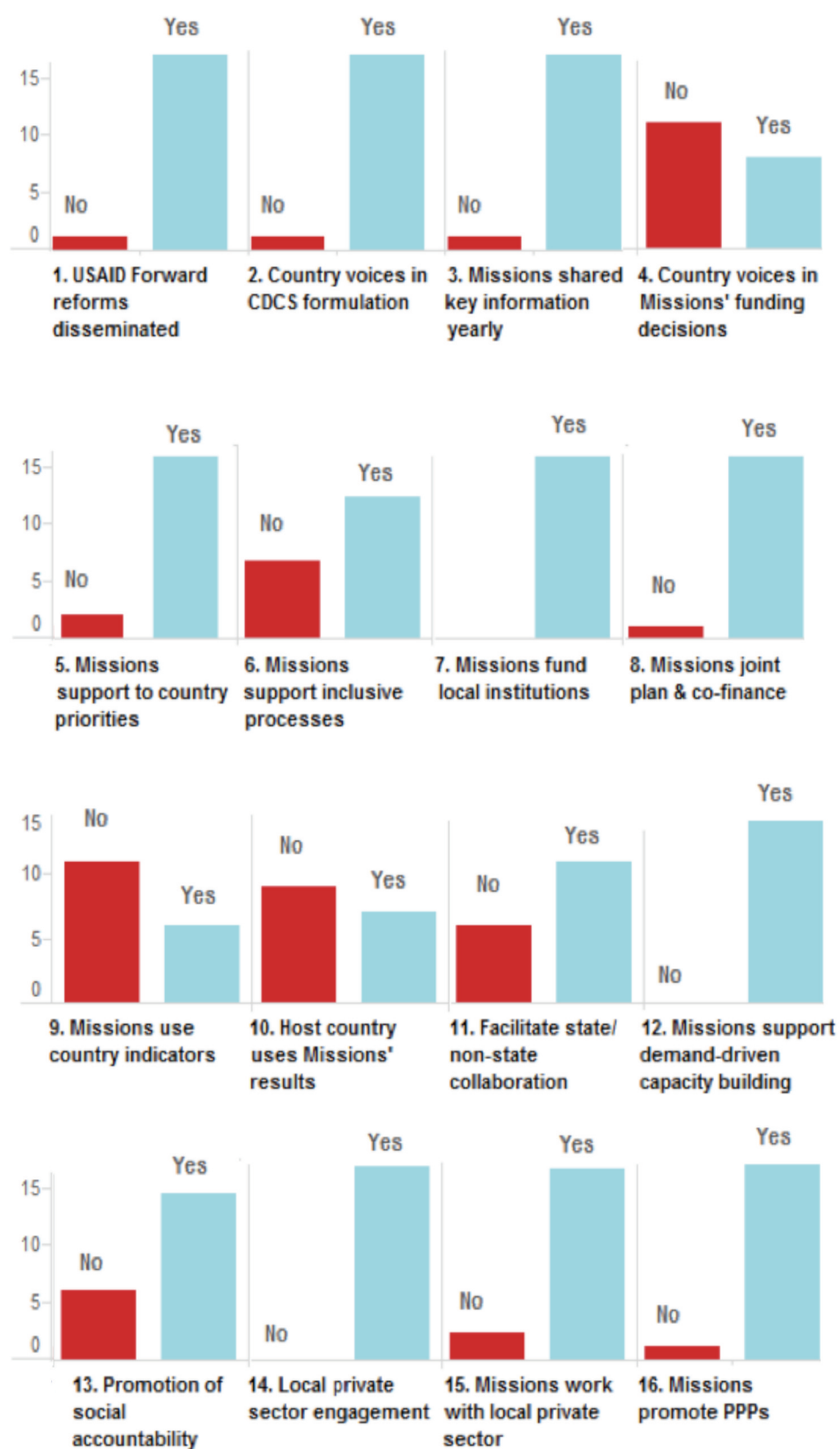
Average out of 1.0 points per year in the Bonus areas.

3. Indicator Matrix

Assessment Criteria	Relevance	Possible Indicators	Definition	Source of Data	Application of Metrics/ Data Utilization	Baseline	Target
Support to country priorities	Project supports specific country (sectoral or national) plans or priorities (referenced in procurement or CDCS)	Number and percentage of projects supporting a specific country priority or plan	Projects that are aligned with or support country priorities (as documented in national or local level strategy documents, national action plans, policy documents, and other relevant global and regional conventions and bilateral initiatives such as the MDGs)	USAID CDCS Project documents Relevant national documents	Assessment criteria for (a) review of draft solicitation documents by the public; (b) applicant proposals; (c) portfolio review for alignment with country priorities		
Local Participation in Project Implementation	Local institutions lead or are quantifiably involved in the implementation of the project	Number of new local institutions leading project implementation in fiscal year	Projects that increase programmatic responsibilities of local institutions, including capacity-building-focused projects with exit strategies such as transition of program responsibilities to local institutions as a result of strengthened capacities; Local institutions include national and local governments, Non-Governmental Organizations, and private sector entities; Data should be disaggregated by type of institutions and by year	Project reports List of awardees Capacity-building plans	Evaluation criteria for increased project implementation responsibilities to local institutions Proxy for improved capacity of local institutions over time		
		Number of local institutions implementing sub-grants or sub-contracts		Sub-grant/sub-contract documents Evaluation reports			
Local Access to Resources	Local institutions manage all or portion of project funds	Total value and percentage of project funds awarded to local institutions in fiscal year Value and percentage of project funds contributed by local institutions	Projects that are partially or fully implemented by local institutions; Data should be disaggregated by direct and sub-grant and sub-contracts Existence of cost share, matching funds, or co-financing mechanisms (whether required in solicitations or not)	USAID Missions or <i>USAID Forward</i> data Host government project documents National/local government budgets	Financial accountability Evaluation of capacity-building investments Sustainability of project results Assessment of domestic resource mobilization efforts		

Assessment Criteria	Relevance	Possible Indicators	Definition	Source of Data	Application of Metrics/ Data Utilization	Baseline	Target
Local Contribution to Project Results	Project results are partially or totally attributable to local institutions	Number and percentage of projects with results achieved by local institutions	Contributions of local institutions are clearly documented in project results reports and/or public communications.	Project documents Public communication documents	Proxy for improved capacity of local institutions Sustainability of project results		
		Number and percentage of projects with sustainability plan	Presence of a reasonably achievable sustainability plan (financial and technical) in projects awarded to or managed by local institutions.	Project documents	Learning and development of effective capacity-building models		
Accountability to Local Stakeholders	Project reporting requirements address both donor's and local stakeholders' "need to know"	Number and percentage of project indicators aligned with indicators in host country development plans	Use of shared or complementary indicators to demonstrate alignment of project measurements and reporting requirements with host country national or sectoral development plans – making key indicators relevant to or usable by host country and vice versa.	CDCS Performance Monitoring and Evaluation (M&E) Plans	Strengthening of national systems (M&E capacity) Donor coordination Transparency of donor practices		
		Number and percentage of USAID-funded projects with oversight or steering structures that include local institutions	Projects with processes or structures that allow local voices to inform planning and funding decisions – i.e., Program Advisory/Steering Committees to guide program design and implementation.	Project documents	Proxy for financial and programmatic information sharing with local institutions		

4. Mission Directors Survey Responses



"Yes" or "No" responses to Questions 1-16 of the Mission Directors Survey. Answers based on 17 respondents. Survey had a 21.25% response rate.

5. Survey Questionnaire

1. The Mission has shared relevant aspects of the USAID Forward agenda (such as the Implementation and Procurement Reform and Monitoring and Evaluation Policy) with local institutions (government ministries and agencies, civil society organizations, and private sector actors).
2. The Mission invited local institutions (government ministries and agencies, civil society organizations, and private sector actors) to contribute content to the formulation of the Mission's Country Development Cooperation Strategy (CDCS).
3. At least once a year, the Mission shares programmatic and funding information with local institutions (government ministries and agencies, civil society organizations, and private sector actors) in a comprehensive and relevant manner.
4. The Mission regularly invites local institutions (government ministries and agencies, civil society organizations, and private sector actors) to participate in USAID's resource allocation discussions and decisions for prioritized programs.
5. The Mission's programs are designed to support specific country development plans, including sectoral development plans.
6. The Mission funds multi-stakeholder development priority setting and strategic planning processes at the national and/or local levels.
7. The Mission directly funds or provides sub-grants to local institutions (government ministries and agencies, civil society organizations, and private sector actors) to implement shared priority programs.
8. The Mission actively encourages or seeks joint planning and co-financing mechanisms with government institutions (ministries and agencies).
9. The Mission's priority programs use the same key indicators as the national or sectoral development plans.
10. The Mission's annual programmatic results are captured in the national or sectoral development progress reports.
11. The Mission helps government institutions (ministries and agencies) define and establish systems and mechanisms to engage and/or fund non-governmental organizations.
12. The Mission's priority programs support capacity-building needs expressed by or jointly identified with local institutions (government ministries and agencies, civil society organizations, and private sector actors).
13. The Mission encourages the use of social accountability mechanisms (through its procurement) to foster the participation of hard-to-reach community groups in its programs.
14. The Mission engages the local private sector in development programs.
15. The Mission works with the local private sector to deliver development programs.
16. The Mission invests in building the capacity of government ministries and agencies, and civil society organizations, to work with the private sector – such as funding, supporting, or promoting the development of Public-Private Partnerships between local institutions.

Endnotes

- 1 <http://www.usaid.gov/usaiddforward/>
- 2 For Local Solutions' overarching goals, see: "USAID Forward Progress Report 2013," page 29
- 3 See: "Foreign Aid: USAID Has Increased Funding to Partner-Country Organizations but Could Better Track Progress," April 2014, <http://www.gao.gov/products/GAO-14-355>
- 4 See Annex 2a for a detailed yearly breakdown of procurements per country.
- 5 "USAID Program Cycle Overview," December 9, 2011, page 4, http://pdf.usaid.gov/pdf_docs/pdacs774.pdf
- 6 The selected RFAs and RPAs were gathered from Fedbizopps.gov and grants.gov between June 1, 2014 and July 31, 2014; the sample excludes government-to-government procurements because they are classified information.
- 7 The data sample studied includes 35 RFAs, 19 RFPs, and 2 Annual Program Statements (APS).
- 8 "U.S. Government Interagency Paper on Country Ownership: Global Health Initiative, 07-2012," <http://www.ghi.gov/principles/docs/ownershipInteragencyPaper.pdf>; and, "Way Forward: A Reform Agenda for 2014 and Beyond," http://www.modernizeaid.net/documents/MFAN_Policy_Paper_April_2014.pdf
- 9 Haiti is the exception. It does not have a CDCS and operates under the U.S. Government Haiti Rebuilding and Development Strategy, which also promotes a country-led development approach.
- 10 The timing and number of procurements may vary from year to year based on Missions' strategies, needs, and activity cycles, and other external factors such as congressional appropriations.
- 11 Graph data based on "USAID Forward 2013 Progress Report." See USAID Forward Results Data Table "Strengthen local capacity", <http://www.usaid.gov/usaiddforward/>.
- 12 For more information on the differences between USAID funding mechanisms, see: <http://www.ngoconnect.net/documents/592341/749044/NGOTips+-+Introducing+USAID+Solicitation+Instruments>
- 13 The data sample studied includes 35 RFAs, 18 RFPs, and 2 Annual Program Statement (APS).
- 14 "USAID Uganda Country Development Cooperation Strategy 2011–2015," page 26.
- 15 "USAID Kenya Country Development Cooperation Strategy 2014–18," page 97
- 16 The justification provided a few times (through comments in the Mission Directors Survey responses) for not using the same indicators as host countries is that their plans have either weak indicators or no indicators at all.
- 17 Local Solutions initiative data reported in "USAID Forward 2012 Progress Report" cover 77 USAID Missions.
- 18 With the exception of data related to the two indicators suggested under *Accountability to local stakeholders*, all other necessary data are readily available at USAID Missions and/or with USAID's primary partners.

Tracking USAID's Efforts on the Local Solutions Initiative

A Review of Select Procurements in Six Countries

Since 2008, Save the Children has advocated for more effective U.S. foreign assistance that allows for greater collaboration and stronger partnerships with aid recipient countries. While many aspects of foreign assistance contribute to the overall effectiveness of aid, this study has specifically analyzed how USAID procurements – one of the primary means by which the agency designs, implements, and evaluates its activities – have been used to translate the agency's vision of aid effectiveness into activities on the ground.

The research analyzes a sample of 55 USAID procurements in six countries – Bangladesh, Dominican Republic, Haiti, Kenya, Philippines, and Uganda – to assess in each case how USAID has promoted country ownership, a goal of its Local Solutions initiative. This goal is central to USAID's efforts to help developing countries move towards assuming full responsibility for their own development.

The research also explores the need for additional standardized indicators to better measure and share USAID's progress at putting Washington-inspired policies into practice in aid recipient countries.

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