

# HOW-TO NOTE

## Implementing Agency Policies and Strategies

### Policy Series

**This Note provides recommendations to assist USAID Missions in implementing Agency policies and strategies throughout the Program Cycle.**

**How-To Notes** are published by the Bureau of Policy, Planning and Learning and provide guidelines and practical advice to USAID staff and partners related to the Program Cycle. This How-To Note supplements USAID ADS 200-series.

### INTRODUCTION

This How-To Note provides recommendations to assist USAID Missions in implementing Agency policies and strategies throughout the Program Cycle. It addresses the following topics:

- Determining applicability of Administrator-approved policies and strategies in the context of your Mission;
- Understanding requirements and expectations for implementing Agency policies and strategies within each component of the Program Cycle;
- Recommendations for incorporating new relevant policies and strategies into existing programming;
- Roles and responsibilities for policy and strategy implementation, and where to find more resources to help.

***Additional How-To Notes and implementation guidance will provide more specific information for particular policies and strategies.***

### BACKGROUND

In response to the Presidential Policy Directive on Global Development (PPD-6) and the inaugural Quadrennial Diplomacy and Development Review (QDDR), USAID has undertaken a comprehensive set of reforms. USAID's Policy Framework and USAID Forward outlined an ambitious agenda to implement these reforms, including a commitment to rebuilding Agency policy capacity. To operationalize that commitment, the Administrator subsequently approved a number of policies and strategies on a range of priority issues, all with the intent of expanding the impact of our programs and improving the lives of those most in need.

### POLICIES & STRATEGIES: DEFINITIONS

Policies and strategies represent the Agency's collective "best practice" on a particular development challenge. Each is approved by the Administrator as a means of setting expectations for programming priorities and approaches.

This How-to-Note relates to Administrator approved strategies and policies that have been released since the inauguration of the USAID Policy Framework (including Education, Water, Global Climate Change, Resilience, Youth, VEI, DRG, C-TIP, Gender Equality and Female Empowerment, Urban Services and forthcoming strategies and policies such as Biodiversity).

*Operational policies (such as legislative requirements) are not covered in this Note.*

## **POLICIES**

Agency policies set a specific priority direction for a sectoral or cross-cutting issue, consistent with USG and Administrator directives and based on the available knowledge base. Policies articulate the Agency's corporate position and are fundamentally about an *approach* to a particular development challenge. Policies typically include guiding principles, goals and objectives, but do not set specific numerical targets or define expected results.

## **STRATEGIES**

Agency strategies explain how USAID will achieve programmatic objectives in a sectoral or cross-cutting area and usually include a results framework to define the logic of the approach. Strategies are distinct from policies in that they are inherently about achieving specific Agency-wide objectives, usually defined as anticipated results within a specific time-bound period. Strategies, therefore, have a more direct impact on Agency resource allocation. (See [Agency Notice on Aligning Planning and Resources](#)).

## **IMPLEMENTATION**

Policy implementation refers to how Missions incorporate Agency policies and strategies throughout the Program Cycle.

## **ALIGNMENT**

Alignment, for the purposes of this How-To Note, is the periodic process of ensuring that existing programs are consistent with Agency policies and strategies, typically conducted during annual portfolio reviews. (This should not be confused with [Portfolio Alignment](#) which is the process through which a Mission decides how its portfolio of existing activities, procurements, and other implementation mechanisms are addressed in the development and implementation of a CDCS).

## **ROLES AND RESPONSIBILITIES**

Effective policy and strategy implementation requires close collaboration between Washington and the field, and between regional and technical bureaus.

Each operating unit's roles in implementing policies and strategies are outlined in the Policy Directive on Agency-wide Policy and Strategy Implementation issued on July 11, 2011 (see [Notice 07133](#)).

**Field Missions:** Ultimate fiscal and managerial accountability for program achievement resides with the field missions. Missions are responsible for maintaining awareness of Agency policies and strategies and taking each into account throughout the Program Cycle. In coordination with Regional and Pillar Bureaus, Missions must determine the applicability of each policy and strategy and then consider whether to integrate it into the strategic plan. Relevant policies and strategies will then inform program design.

**Regional Bureaus:** The regional bureau is the key link with field missions, providing leadership; coordinating strategic planning, performance management and reporting; developing budget justifications; and coordinating program reviews. Primary accountability in Washington for strategy and policy implementation resides with the regional AAs. Regional Bureaus will support Missions in implementing policies and strategies throughout the Program Cycle and provide strategic guidance on applicability of policies and strategies from a regional and USAID/W perspective.

**Pillar Bureaus:** Pillar bureaus have lead responsibility for managing policy and strategy implementation by providing technical guidance and leadership. They should develop tools to guide implementation and monitor results including producing "how-to" notes, populating ProgramNet with resources, building awareness, and providing training through webinars, virtual TDYs and other practical modalities. Pillar Bureaus will monitor implementation, including through the Program Cycle, and work closely with regional bureaus and Missions to flag implementation gaps or misalignments.

**Budget and Management:** The Office of Budget and Resource Management (BRM) will ensure budget planning, execution and resources and aligned with Agency strategy and policy priorities.

When necessary, BRM will work with regional and pillar bureaus to ensure adequate information is provided to build out-year budgets that reflect USAID's regional or technical priorities. The Bureau for Management provides critical support through human resources, acquisition and assistance tools, and information technology that support teams implementing Agency policies and strategies.

**PPL:** PPL will play a moderating and consultative role for policy and strategy implementation. Staff from the Bureau will be represented on implementation committees chaired by implementing Bureaus, offer lessons learned, and assist with organizational and process management.

## APPLICABILITY

Missions are expected to carefully consider all Agency policies and strategies that have been approved by the Administrator in their CDCS and project designs.

Some policies and strategies are mandatory for adoption by all Missions (*Gender Equality and Female Empowerment Policy*) or by selected missions through a link to congressional earmarks and directives (education, climate change, and water strategies).

**Overall, applicability for all policies and strategies is based upon the Mission's analysis of the country context and further problem analysis related to the CDCS, project designs or other relevant strategic and planning documents (transition strategy, RF paper, etc.)** Applicability may change over time and it is the responsibility of the Mission's DO teams, Program Office, and Front Office to periodically review progress towards results, while keeping in mind any new policies or strategies or changes in the development landscape.

## IMPLEMENTATION THROUGHOUT THE PROGRAM CYCLE

### COUNTRY DEVELOPMENT COOPERATION STRATEGY

The CDCS process is the appropriate place to determine which Agency policies and strategies ought to be considered in a given country context.

This section discusses how to consider Agency policies and strategies during the three distinct phases of the CDCS process.

**THE CONSULTATION PHASE** (see ADS 201.3.4.1) provides an opportunity for Washington stakeholders (including the regional bureau and pillar bureau issue-owners) to provide policy, budget, and sector-specific parameters and considerations, including as relates to policies or strategies relevant for the particular country. Considerations include whether the Mission is a priority for any of the Administrator-approved Agency policies and strategies, whether the Mission receives funds earmarked to a specific Agency issue-area (e.g., education, water, or climate change), and whether the country is a USG or Congressional priority for a specific issue. To complement this feedback from Washington, Missions should follow a three-step process:

- (1) As the Mission develops its analytic agenda leading into Results Framework development, it should focus on those priorities identified during problem analysis and stakeholder consultations, including those raised during the Washington Digital Video Conference.
- (2) Once initial consensus has been reached about priority issues/sectors, the Mission should then determine whether there are existing relevant Agency policies or strategies.
- (3) Finally, during Results Framework development, the Mission should determine how to include Agency Policies and Strategies.

### THE RESULTS FRAMEWORK DEVELOPMENT PHASE

For issues or sectors identified as priorities for which there is an Agency policy or strategy, the RF paper (ADS 201.3.4.2(3)) should explain concisely how the CDCS contributes to the objectives outlined in the relevant policy or strategy. For example, a Democracy, Rights, and Governance IR or DO should support the objectives of the DRG

Strategy. Additional, more detailed suggestions are provided in technical-area implementation guidance.

The Mission should be prepared to discuss during the RF Digital Video Conference with Washington the basis for decisions not to focus on particular issues or sectors identified during the Consultation DVC as potentially applicable for the country. For example, a Mission may conclude that while urban issues are important, they will not be a key component of the CDCS given other priorities.

Finally, it is at this point that Missions should note the potential need to invoke an exception to Agency policy and strategy implementation. In such cases, the RF paper should explain very concisely why the Mission has determined not to align its approach with a particular strategy or policy. (See discussion of the Exceptions Process on page 6 below).

During CDCS preparation, review and approval, Missions should expand on the narrative in the RF paper explaining how achieving the CDCS objectives will contribute to the outcomes described in the relevant Agency policies and strategies.

## **PROJECT DESIGN & IMPLEMENTATION**

During the **Concept phase**, Missions should first determine whether any new Agency policies or strategies may be applicable that were not already considered during the CDCS process. As in the CDCS Consultation Phase, this should occur during initial problem analysis in which the Mission would identify whether any key issues emerged for which the Agency has a policy or strategy, beyond those already identified during the CDCS process. If additional policies or strategies are identified as potentially applicable, the Mission should determine whether additional analyses or assessments are needed to ensure that project design and implementation effectively contributes to Agency policy/strategy objectives. For those Agency policies and strategies already incorporated in the RF, the Concept Paper would then include a brief discussion (as in the RF Paper) of how the proposed project will contribute to the outcomes described in the relevant Agency policies and strategies.

During the **Analysis phase** and development of a Project Appraisal Document (PAD), the Mission should undergo a focused portfolio alignment exercise (see ADS 201.3.13 and Discussion Note on Portfolio Alignment). During this process, the Mission will examine existing implementing mechanisms (IMs) to ensure that planned results and approaches are still consistent with the new project Logframe. As part of this process, Missions should examine the extent to which existing IMs are harmonized with relevant Agency policies and strategies (both as identified during CDCS

### **IN PRACTICE: USAID/MADAGASCAR**

When the Madagascar Mission completed a health sector Project Appraisal Document, they consulted an array of policies for harmonization with Agency objectives. During the concept paper phase of the project design process, the Mission identified youth as a central aspect to the project that also had an associated Agency policy.

Consequently, during the analytical phase of the design, the Mission, working with support from the Bureau for Global Health, completed a youth in health assessment. Using the findings from this assessment as well as the priorities in the Agency's Youth Policy, the mission was able to better design health programming to consider this important demographic group, by referencing the findings in solicitations, monitoring plans and including appropriate indicators in the Mission's Health Performance Management Plan.

In the end, using Agency policies and strategies, the mission was able to improve impact on the ground.

development as well as any new ones that may have been issued since the approval of the CDCS). Consistent with the overall portfolio alignment exercise, there are three possible outcomes regarding implementing Agency policies and strategies. Results and approaches are either: (1) well-aligned (2) partially aligned (3) not aligned. At this point, Missions should follow the guidance for portfolio alignment as codified in ADS 201.3.13.

Ultimately, the PAD should explain how the project results and approach will contribute towards achieving the objectives of the CDCS and to applying relevant Agency policies and strategies.

## EVALUATION & MONITORING

**In the CDCS,** Missions are required to identify illustrative indicators for each result (Goal, DO, IR) and identify priority evaluation questions. The Mission may opt to include in the CDCS evaluation questions specific to policy and strategy implementation, approach, and/or contribution to development outcomes. For example, assume that the Mission is a priority country in the Water and Development Strategy and “improved water and sanitation” is an important result identified in the Mission’s CDCS. In this case, the Mission may choose to integrate evaluation questions, for instance, about the development hypothesis underlying improved water and sanitation, the effectiveness of USAID’s implementation of water and sanitation programming, or the contribution of USAID’s water and sanitation interventions to desired development outcomes, as well as any unintended effects.

**During Project Design,** project design teams should consider whether there are any required indicators (or other mandatory requirements) associated with a particular policy or strategy that should be incorporated into the project’s monitoring and evaluation plan. The Mission may include some of the indicators that implementing partners will be expected to collect in solicitations. Project design is also an opportunity to refine evaluation questions, keeping in mind that all large projects require evaluation. In cases in which the Mission is implementing a pilot intervention with intent to scale (e.g. new approach to youth engagement in connection with the Agency’s Youth policy), an impact evaluation should be undertaken if feasible. In refining evaluation questions, Missions should also consider consulting with the respective USAID/W technical and regional bureaus that are “home” to the policy or strategy. In some cases bureaus and offices are trying to strengthen the learning agenda around particular strategies and may

be able to offer additional technical and resource support for evaluation and learning.

All performance indicators and evaluation questions in the CDCS and/or PAD that will be used to track policy and strategy implementation should be included in the Mission’s Performance Management Plan (PMP). See ADS 203.3.3 for guidance on PMPs. Recall that all indicators that are reported to Washington require Data Quality Assessments (see ADS 203.3.11).

**Portfolio Reviews:** The annual or semi-annual portfolio review provides an opportunity to critically reflect on how well policies and strategies have been integrated into Mission programming, review progress toward policy and strategy objectives and intended results, as well as discuss any findings from ongoing performance monitoring and evaluation. Portfolio reviews also provide an opportunity to discuss implementation challenges, gaps in the logic underlying the development hypothesis, and any corrective actions or additional learning needed around policies and strategies (see next section on “Adapting and Learning”).

## LEARNING AND ADAPTING

USAID policy and guidance recommend integrating learning and adapting into strategic plans and projects. This can include:

- effective coordination and collaboration internally and among partners,
- the analysis and application of performance monitoring, evaluation, and experiential learning,
- careful monitoring of contextual dynamics,
- strategic dialogue with key stakeholders around potential course corrections, and
- flexible funding mechanisms and adaptive management techniques that allow for timely response by policies, programs, projects and mechanisms as needed.

In the context of Agency policy and strategy implementation, this may also include explicit efforts to locate strategies in the broader context of aid efforts in-country, to engage in periodic reflection on strategy implementation and the fit with local

context, and to capture and communicate, not only within the Mission but also to Pillar and Regional Bureaus, the lessons learned regarding integration of Agency policies and strategies at each stage of the Program Cycle.

## POLICY ALIGNMENT AFTER CDCS AND PROJECT DESIGN COMPLETION

Missions should align their programmatic activities with relevant Agency policies and strategies. The discussion above provides guidance on how to do this during the normal course of implementation throughout the Program Cycle. However, there are often cases where a policy or strategy is released at a time that is not synchronized with Mission planning processes (i.e., after a PAD has been approved during project and strategy implementation). In those cases, the portfolio review process may be an appropriate time to consider applicability and identify potential alignment issues of newly released Agency policies and strategies.

As part of the portfolio review, Missions are encouraged to follow these steps to align their portfolio with new policies and strategies:

1. Pre-Portfolio Review Stage: The Mission Program Office and DO Teams identify new policies and strategies that have been released but not yet considered in their portfolio. (Note: if a policy or strategy is immediately required to be fully adopted by a certain Mission – as with Water or Education – further guidance will be provided by the Pillar and Regional Bureaus managing implementation).
2. Portfolio Review: Program Office distributes guidance which includes questions for DO teams to consider relating to the objectives and approaches listed in newly released policies and strategies. Development Objective teams review their PMPs, Project Designs and activities for relevant overlaps with policies and strategies. This will include reviewing annual reports, indicators, and PADs.
3. Development Objective Teams may choose to describe how their portfolios relate to new policies and strategies, where there is potential

for alignment and where there is not. When describing policy alignment, DO teams should work in collaboration with Contract and Agreement Officers and RLA's to best understand any effect on existing contracts and agreements.

4. Portfolio Review Follow-Up: Based upon the recommendation of the Development Objective Teams and Program Office, the Mission should prepare a note to the file describing the plan to align policies and strategies with existing projects. This note should be cleared by Mission senior staff, including RLA, CO, and Mission Director. Alignment recommendations may be included in the portfolio review note to the file.

Some illustrative examples for follow-up to Portfolio Review Policy and Strategy alignment may include:

- a. If contracts and agreements allow, a COR/AOR's review annual work plans against applicable policies and strategies,
- b. New indicators added to the PMP and discuss data collection feasibility and methods with implementing partners,
- c. Appointment of a Mission point of contact to follow-up on new strategy and policy alignment.

## THE EXCEPTIONS PROCESS

As described in the [Agency Notice](#) of May 7, 2013, Missions may, in extenuating circumstances, pursue an exceptions process. Requests to exempt a project from the Education or Water Strategies should follow the Request for Exception Action Memorandum template attached to the [Agency Notice](#).

For other policies and strategies, Missions are expected to, **as applicable based upon mission-led assessment and analysis**, capture all Agency policies and strategies that have been approved by the Administrator.

## ADDITIONAL RESOURCES

Additional resources to support specific policy and strategy implementation include the following:

- CDCS Supplemental Guidance for Integrating Global Climate Change:  
[http://transition.usaid.gov/our\\_work/policy\\_planning\\_and\\_learning/documents/CDCSGCCSupplemental\\_Guidance.pdf](http://transition.usaid.gov/our_work/policy_planning_and_learning/documents/CDCSGCCSupplemental_Guidance.pdf)
- Gender Integration throughout the Program and Project Cycle:  
[http://inside.usaid.gov/E3/off-wid/gender\\_ads.html](http://inside.usaid.gov/E3/off-wid/gender_ads.html)
- Guide on How to Integrate Disability into Gender Assessments and Analyses:  
[http://transition.usaid.gov/our\\_work/cross-cutting\\_programs/wid/pubs/Guide\\_How\\_Integrate\\_Disability\\_Gender\\_Assessments\\_2010.pdf](http://transition.usaid.gov/our_work/cross-cutting_programs/wid/pubs/Guide_How_Integrate_Disability_Gender_Assessments_2010.pdf)
- Policy Directive on Agency-wide Policy and Strategy Implementation:  
<http://inside.usaid.gov/PPL/offices/p/upload/PolicyDirectiveonImplementation.pdf>
- ADS 205: Integrating Gender Equality and Female Empowerment in USAID's work:  
<http://inside.usaid.gov/ADS/>
- Program Net Portfolio Alignment landing page and Discussion Note:  
<https://programnet.usaid.gov/module/portfolio-alignment>
- Program Net Learning and Adapting Page: <https://programnet.usaid.gov/module/learning-adapting>
- [Program Cycle Learning Guide: http://usaidlearninglab.org/learning-guide/introduction](http://usaidlearninglab.org/learning-guide/introduction)
- Coming soon! - How To Note: Incorporating Response to Violent Extremism and Insurgency (VE/I) throughout Program Cycle
- Coming Soon! - How To Note: Incorporating Democracy, Human Rights, and Governance into the CDCS