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Bureau for Humanitarian Response

Office of Private and Voluntary Cooperation

STRATEGIC PLAN
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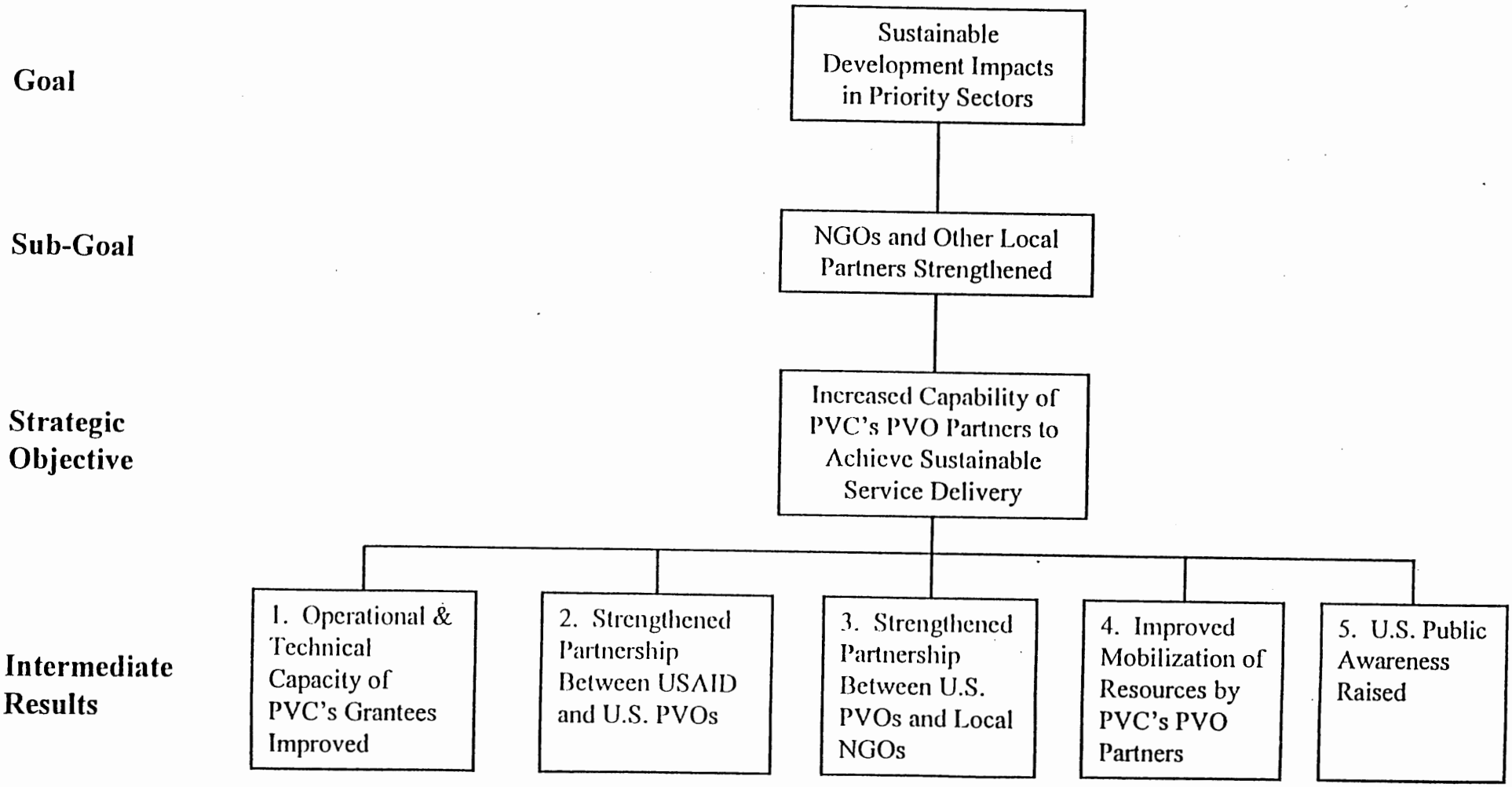

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Glossary of Terms

PVC STRATEGIC PLAN

The Strategic Plan developed by the Office of Private and Voluntary Cooperation (PVC) in the Bureau for Humanitarian Response (BHR) reflects the values and practices promoted by the reengineering initiative of the U.S. Agency for International Development (USAID). Teamwork and the involvement of PVC's partners in the U.S. private voluntary organization (PVO) community were integral to its development. The office's Results Framework, on which this plan is based, reflects their shared objectives (see opposite page).

Part I Introduction

A. Overview of the Role of PVC in the Agency

PVC plays a dual role in USAID. Through the programs it administers, PVC provides direct support to efforts made by the U.S. PVO community[1] and by its local partners[2] to address critical needs in developing countries and emerging democracies. Within USAID, PVC also serves as a focal point for information about PVO capabilities and programs. The office is a key player in the development of policies and procedures that affect these organizations.

At the operational level, PVC's primary mission is to support capacity building which strengthens the sustainable impact potential of U.S. PVOs working in participatory, grassroots development. Through support for U.S. PVOs, PVC also aims to strengthen the capacity of local non-governmental organizations (NGOs) and community groups to deliver sustainable services, particularly to underserved communities. The primary way in which PVC supports its mission is through the competitive grant programs it administers. These include Matching Grants, Child Survival Grants, Cooperative Development Grants, the Farmer-to-Farmer Program, and Ocean Freight Reimbursement. PVC also administers two other programs: the Denton Program, which enables PVOs to ship development and humanitarian supplies to programs overseas on military transport when space is available; and USAID's Development Education Program, which provides grants to U.S. organizations to educate the American public about developing country needs and about the ways in which U.S. foreign assistance, and the efforts of the PVO community, help to address those needs. Brief descriptions of each of these programs are provided in the text box on the next page.

PVOs and their local partners also benefit from PVC's information and program support function including the registration of U.S. PVOs. PVC also registers local private voluntary organizations (LPVOs) that wish to work with USAID Missions overseas. In addition, PVC monitors the degree to which U.S. PVOs are maintaining their private funding base.

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[1] In this document the term PVOs or PVO community is used to refer to U.S. private voluntary organizations (PVOs) as well as U.S. cooperative development organizations (CDOs). The term CDO is used in the report only where CDOs need to be distinguished from other organizations, e.g., as is the case when the Farmer-to-Farmer program is discussed.

[2] The local partners of U.S. PVOs include non-governmental organizations (NGOs), some of which are themselves private voluntary organizations. When local private voluntary organizations are mentioned in this document the term LPVO is used to distinguish these local entities from the U.S. PVOs with which PVC works. Local partners of U.S. PVOs, in some cases, also include local governments.

MAJOR PROGRAMS ADMINISTERED BY THE OFFICE OF PRIVATE AND VOLUNTARY COOPERATION (PVC)

- **Matching Grants**: The Matching Grant Program assists PVOs that address development priorities which are consistent with those of USAID. It provides support for capacity building for PVOs and, through them, to their NGO partners to professionalize their management systems or technical backstopping of programs, replicate proven program approaches in new places, expand to new sectors, or undertake innovative projects that offer possibilities for transferring new skills and methods. These grants, which are matched by PVOs on a dollar-for-dollar basis, leverage private resources for development and help to strengthen the financial viability of the PVO recipient.

- **Child Survival Grants**: The Child Survival Grant Program works with PVOs that engage in primary health programming as part of their international development efforts. Matched by a 25 percent contribution from the PVO, Child Survival Grants support projects that are designed to have a real impact on the health status of children and mothers living in target areas in developing countries, e.g., a lower incidence of death from infant and childhood diseases. Low-cost strategies that can be sustained over time are central to these projects. In addition, capacity building for sustainable health service delivery is a standard feature in these grants.

- **Cooperative Development**: The Cooperative Development Program provides support to U.S. cooperative development organizations to enable them to help create or support cooperative movements in developing countries and new democracies. These grants strengthen and expand the capacity of U.S. organizations to work internationally, allowing them to provide technical assistance and training to their local counterparts.

- **Farmer-to-Farmer Program**: The Farmer-to-Farmer Program provides grants to U.S. PVOs, cooperatives, NGOs, and private agribusinesses to build their capacity and defray the costs of providing direct agricultural technical assistance through U.S. volunteers to farmers, farmer organizations and businesses overseas. P.L. 480 Title II resources enable PVC to administer this popular people-to-people program.

- **Denton Program**: The Denton Program allows for the shipment of humanitarian aid cargo from private U.S. organizations free of charge to the donor via military transport on a space available basis. Generally, donor organizations have strong links to the in-country NGOs with which they work, providing medical equipment, educational supplies and other goods to assist local efforts for service provision.

- **Ocean Freight Reimbursement**: The Ocean Freight Reimbursement Program enables more than 50 PVOs each year to meet the costs of shipping supplies to developing countries in support of development and humanitarian activities. Recipients of these funds generally have a strong link to grassroots recipient organizations with which they work. Normally, there is a self-help component to all projects for which ocean freight reimbursement is provided. The Ocean Freight Reimbursement program leverages cost-shared resources that are many times greater than the funds USAID administers; for every USAID grant dollar up to $40 in private resources are leveraged.

- **Development Education**: This program, which includes Biden-Pell Grants to institutions working on development education, provides Americans with opportunities to learn about developing countries, the U.S. foreign assistance program, and the work of PVOs and CDOs overseas.

PVC fulfills its liaison and information functions for other offices within the Agency on both the policy and operational levels. PVC provides information on PVO capabilities and programs to the public as well as to USAID operating units. PVC also helps to promote better integration of PVO programs with USAID Mission strategies. It does so primarily through the grant program guidelines the office issues which require mission comment and clearance on all proposals to ensure that the PVO programs funded by PVC are consistent with mission Strategic Objectives. On the policy level, PVC plays a key role in the development of Agency policies that focus on the USAID-PVO partnership. PVC's involvement in policy formulation ranges from the broadest levels, e.g., on USAID's New Partnerships Initiative (NPI), to operational guidance for program managers, e.g., on cost-sharing requirements, to addressing issues that affect PVOs in the area of procurement policy. PVC also contributes to the policy dialogue in its role as the Secretariat for the Agency's Advisory Committee on Voluntary Foreign Aid (ACVFA).

B. Scope and Organization of the Strategic Plan

PVC views this strategic plan as a landmark. Consistent with USAID's reengineering directives, the process used to develop this plan was highly participatory, involving all of the office's staff as well as a significant number of representatives of the PVO community. While PVC's strategic plan does not specify all of the actions the office will take to achieve the objectives set forth in this document, it does provide a clear outline of the direction in which PVC intends to move.

The plan itself is divided into four parts. It is structured along the lines suggested by the Strategic Planning Guidance memorandum issued by BHR in October 1995:

Introduction (Part I). This section introduces PVC, its strategic plan, and the consultative process used to develop this plan.

Summary Analysis of Assistance Environment and Rationale (Part II). This section provides information on the legislative and foreign policy basis for PVC's work, the external and Agency context within which the program must operate, constraints and opportunities, and PVC's partners and customers.

Proposed Strategic Plan (Part III). This section of the document presents the office's strategic plan and its Results Framework. It provides the rationale for selecting PVC's strategic objective and intermediate results. Included are discussions of the linkages to bureau and Agency objectives, assumptions that could affect successful implementation of the plan, the role of PVC's partners, and the means by which success will be judged. Current PVC activities and proposed new approaches to support the achievement of results identified in the plan are also discussed.

Resource Requirements (Part IV). This section examines the human and financial resources required to carry out PVC's strategic plan.

C. PVC's Strategic Planning Process

PVC's strategic plan was developed over the past two years through a collaborative process which involved all members of the PVC staff and some BHR Program Office staff, as well as many of PVC's PVO partners. Highlights of this planning process included:

- Teamwork at the office level on early efforts to conceptualize a framework of results that accurately characterizes the Office's programmatic thrust;

- Collaboration with the bureau's Program Office and BHR senior managers, which helped to ensure that the office's plan was clearly linked to the achievement of Strategic Objectives at the bureau level;

- Consultation with PVO partners on PVC's Results Framework, and on the development of candidate performance indicators, as part of a two-day RFA workshop in September 1995. More than 100 of PVC's PVO partners participated in this workshop. A parallel session was held for cooperative development organizations (CDOs);

- The establishment and continued use of expanded Strategic Objective and Intermediate Results teams, through which PVOs participated as actual and "virtual" team members in the development of PVC's strategic plan; and

- Two day-long strategic planning exercises that focused on the programmatic and organizational implications of PVC's emerging Results Framework, which involved the entire office working in teams.

As ideas evolved during this planning process, PVC staff identified important results that cut across, or derived from, more than one grant program or program support activity. Using a Results Framework approach, PVC staff were able to articulate not only the way in which the work of the office supports U.S. PVOs, but also the manner in which PVOs reach out from these USAID-funded activities to build the capacity of local NGOs to provide critical services on a sustainable basis. Through an iterative process, PVC staff were also able to articulate the ways in which their public information and liaison functions support broad office, bureau and Agency objectives. As the Office's results-oriented structure of objectives evolved, PVC staff also worked with their PVO partners to define performance indicators that could be used to measure progress and performance on each of the key objectives.

In developing this strategic plan, PVC made a concerted effort to apply USAID's reengineering principles. Teams that cut across traditional and bureaucratic lines were used throughout the process. Involvement of partners and customers, another core USAID value, was initiated well before the plan reached the end of its formative stage. Many ideas offered by the PVO community are now an integral part of PVC's plan.

While this process was lengthy and time consuming for all involved, its benefits are multiple and include:

- A clearer understanding on the part of individual PVC staff of all of the grant programs and activities managed by the office;

- Improved teamwork within the office and with many of the partner organizations with which we work; and, perhaps most important,

- A sense of "ownership" of PVC's objectives, and the performance indicators that will be used to judge success, on the part of the partner organizations upon whom that success ultimately depends.

Part II Summary Analysis of Assistance Environment and Rationale

A. PVC's History, Relationship to U.S. Foreign Policy, and Legislative Mandate

Established in 1977, PVC is the focal point for maintaining a productive partnership between USAID and the PVO community. For almost 20 years, PVC has been committed to:

- Assisting the PVO community in empowering individuals in developing countries to mobilize local and outside resources to meet their needs;

- Enhancing the capacity of U.S. partner organizations to plan and carry out overseas development programs; and

- Supporting long-term sustainable development.

Through its three functions - grant administration; public outreach and coordination; and information and program support - PVC strengthens the public/private partnership through which the qualities and values of the American people, as embodied in PVOs and cooperatives, are incorporated into the U.S. foreign assistance program.

The international development efforts of U.S. PVOs have their basis in more than a century of humanitarian work overseas. World War II gave rise to a new generation of PVOs that were set up to meet post-war needs in Europe. After World War II, attention shifted from Europe to the developing countries. PVOs gradually broadened their programs from relief, disaster assistance and food distribution to efforts aimed at addressing the root causes of poverty and improving the quality of life. The work of the PVO community adds an important people-to-people dimension to U.S. foreign assistance efforts.

The post-war shift that engaged PVOs in efforts to address development concerns eventually led to a partnership between the PVO community and USAID. By the early 1970s, USAID and PVOs were engaged in a collaborative process and USAID was working with PVOs to implement projects overseas. Foreign aid legislation has been supportive of this relationship for over 20 years and Congress continues to direct USAID to work collaboratively with the PVO community. As indicated in Section 123 of the Foreign Assistance Act of 1961 (FAA), as amended:

> "*The Congress declares that it is in the interest of the United States that such organizations and cooperatives expand their overseas development efforts without compromising their private and independent nature. The Congress further declares that the financial resources of such organizations and cooperatives should be supplemented by the contribution of public funds for the purpose of undertaking development activities in accordance with the principles set forth in this section.*"

This authorizing legislation includes a requirement for individual PVOs to obtain at least 20 percent of their funding for international activities from sources other than the U.S. Government. It also places a floor for USAID spending on and through the PVO community of 13.5 percent of the aggregated amount appropriated to carry out the work defined in several sections of the FAA, and there is a target range of 16 percent for certain of USAID's budget accounts. In 1995, the Clinton Administration pledged to channel 40 percent of USAID's development assistance resources through NGOs, both U.S.-based and indigenous. This commitment was made in March 1995 when Vice President Gore introduced the New Partnerships Initiative (NPI) at the Social Summit in Copenhagen. However, a target level of 40 percent has not yet been incorporated into USAID's authorizing legislation.

USAID financial support for PVO activities reached more than $1.4 billion in FY 1994, including development assistance funding, more than $700 million in P.L. 480 Title II commodities, and related ocean freight to support PVO food-based programs overseas, and $8.5 million in Denton Program shipment support. A substantial portion of the funds USAID allocates to PVOs is earmarked for work on development problems on which the U.S. Congress and USAID place a high priority.

PVC administers a small but significant percentage of these resources. Congressional discussions of PVC's funding level for PVOs are sometimes cited separately in Committee report language. Traditionally, PVC's support to the PVO community has served as a bellwether of USAID's overall commitment to the USAID/PVO partnership. In FY 1995, PVC's grant programs amounted to $51 million, of which $45.5 million was allocated to supporting PVOs and $5.5 million was focused on assistance to CDOs.

Over the years, PVC investments in PVOs have been critical to the evolution of the PVO community. Consistent with its interest in strengthening the development capabilities of U.S. PVOs, PVC has used its grant programs to encourage institutional strengthening activities within these organizations. During the 1970s and early 1980s, institutional support grants from PVC helped to facilitate the transition that many PVOs have made from providing only relief services to developing a capacity for addressing development priorities as well.

Institutional support grants have also helped PVOs to expand their work in selected sectors. PVC's Child Survival Grants have helped certain PVOs to expand their involvement in this sector and laterally increase the range of services they can competently provide. Viewed from the perspective of the PVO community, PVC has played a vital leadership role in introducing new approaches and developing programmatic trends.

B. Overview of the Context in which PVC Operates

USAID and the PVO community operate in an environment where change is now expected. In recent years, the range of countries in which USAID and its PVO partners work has expanded to Eastern Europe and the Newly Independent States (NIS) as well as South Africa. In addition, new issues continue to arise in countries where USAID and U.S. PVOs have worked for many years. This changing environment is marked by a growing severity of complex civil emergencies. The increased frequency with which countries find themselves in transition, and the unlikely continuation of current levels of donor funding, have resulted in an increased demand for the services of PVOs and NGOs in both relief and development activities worldwide, which places an increased strain on their ability to respond to these challenges. These factors frame the fundamental challenges PVC and its PVO partners face in the design of a strategic plan for the period 1996-2000. The strategic plan PVC has developed looks to the future, but it also draws on a clear understanding of the past.

After several decades of working primarily through host country governments, USAID has recognized that development initiatives have a better chance of succeeding if they also involve citizens' organizations and encourage the private sector in developing countries. Accordingly, USAID has begun to invest in decentralized and non-governmental solutions to important development problems. This evolution, which began in the mid-1980s, is reflected today in the emphasis USAID places, in a wide range of countries, on the expansion of mechanisms that promote civil society. Work with host governments is still a priority, especially at the policy level. At the operational level, where program services are delivered, the share of USAID programs implemented by U.S. PVOs and local NGOs is increasing.

Over the last two decades, many PVOs have become more international in character in response to the needs they see overseas and their growing capacity to deliver services and other kinds of assistance abroad. In recent years, PVOs have demonstrated that they can cost-effectively reach and assist people in virtually any country. Within these countries PVOs often work at the grassroots level at which people organize themselves to address problems and opportunities.

Despite the increased institutional maturity and technical sophistication of a number of U.S. PVOs, and their growing capacity to deliver technical assistance to local NGOs, many still require significant support. This support is vital for helping U.S. PVOs and USAID to work together to meet changing priorities and new development challenges, such as the HIV/AIDS epidemic of increasingly pandemic proportions. The challenge for PVC and for the U.S. PVO community lies in finding ways to ensure that the quality of PVO programs improves, even as these programs expand in scope and diversity. Some PVOs need to strengthen their ability to plan, while others need to improve their ability to mobilize resources, or develop procedures for monitoring the progress and impact of their programs. Looking beyond these internal improvements, many U.S. PVOs are just beginning to address the challenge of working more collaboratively with local NGOs, often in unfamiliar countries under complex political circumstances.

PVO competence and experience in the range of fields and countries USAID assists have grown in organizations that have worked in this field for years. The PVO community has also expanded laterally, with an impressive number of new PVOs emerging to address the problems of specific countries or to provide new types of services in well established fields. Over the past decade, the number of PVOs registered with USAID has doubled, increasing from 143 in 1985 to 434 in 1995. The emergence of new PVOs on the international scene poses a challenge to USAID's ability to integrate these new organizations into the larger PVO partner community.

As the number of PVOs grows, the mechanisms used to link them also expand. InterAction, an organization whose members are U.S. PVOs, has emerged as a focal point for the discussion of issues of interest to many PVOs and as a channel through which PVOs can communicate with USAID and with Congress on a collective basis. Organizations and associations of this type also provide USAID with a forum in which program initiatives can be discussed.

In recent years, the growth of the U.S. PVO community has been paralleled in developing countries and emerging democracies by an unprecedented increase in the number of local NGOs. Community action has long been a force in countries around the world, but the strength of individuals at the local level has not always translated itself into the formation of groups that attempt to pursue objectives, or the interests of their members, in systematic ways. The visible effect of the rising number of local NGOs was perhaps most noticeable in the global explosion of grassroots organizations following the end of the Cold War. While some of these local organizations focus on democratic initiatives, the focus of others ranges from health care to the provision of credit for micro- and small enterprise. In many countries, NGOs are attempting to fill in the gaps created by economic liberalization, downsized national administrations, privatization, and expanded personal and political freedom.

The growth of local NGOs has proven to be a real opportunity for many U.S. PVOs, as well as a great challenge. In response to this challenge, many U.S. PVOs have begun to redefine their role and expand their sphere of influence. Rather than seeing local NGOs as competitors, U.S. PVOs are working with them to make them stronger internally and better able to deliver services on a sustainable basis. To do so, U.S. PVOs are making a dramatic adjustment in their role in the development process. They are moving away from the direct delivery of services to more of a role as intermediaries that help strengthen the capabilities of local NGOs to deliver services and respond to the development needs of their own communities.

Over the last few years, USAID's understanding of the role that PVOs can play in supporting local, non-governmental programs increased dramatically. Within USAID, the demand for PVO involvement in efforts to strengthen NGOs has risen perceptibly. In addition to viewing local NGOs as effective program implementors, USAID is also increasingly aware of the way in which local NGOs strengthen the fabric of civil society. Through U.S. PVOs, USAID helps local NGOs to empower citizens to take advantage of changes in their own environments, adding new energy to development efforts. Growth in the numbers of such NGOs means that there are very real prospects for enabling a new generation of local leaders, and entire countries, to achieve a new level of self-reliance.

The ability of U.S. PVOs to work effectively with local NGOs is one of the reasons USAID is supportive of efforts that engage U.S. PVOs as USAID's development partners. USAID's Administrator has repeatedly encouraged PVO involvement in USAID programs, and USAID policies have been updated to reflect that support. U.S. commitment to the development of a strong partnership between the Agency and the U.S. PVO community, and to the development of partnerships between U.S. PVOs and local NGOs is also supported by the New Partnerships Initiative (NPI). Interest in PVOs and NGOs has also grown among other donors, such as the World Bank, the InterAmerican Development Bank, and the European Union, who are now engaged in efforts to determine how their use of these important resources might be expanded.

USAID is also looking for new ways to expand the role of PVOs in development education. PVOs form a natural bridge between the people of developing countries and the American people. They operate at the grassroots level where services are provided and where American citizens make individual contributions to PVO programs. More effort needs to be made to identify opportunities for PVOs and CDOs to inform Americans about their development work overseas and its impact on people.

The evolution of communications technologies is supporting the changes that are taking place in PVOs and NGOs. It also supports the actions USAID is undertaking in response to its 1994 reengineering guidelines which place a high value on teamwork both within USAID and between USAID and its partners. The prevalence of faxes, e-mail and Internet access is starting to make daily contact between the U.S. and remote sites in developing countries not only feasible but affordable. These new technologies enhance the ability of PVOs to work with each other and to communicate, in an interactive fashion, with USAID.

Modern communication technologies also support the growing "internationalization" of U.S. PVOs and local NGOs by facilitating communications among members of PVO and NGO networks and associations. Professional associations of U.S. PVOs are beginning to use the Internet to link U.S. PVOs with each other. The information sharing potential of this technology extends, in principle, to links between local NGOs and U.S. PVOs and, on a regional or national level, to communications among local NGOs through new networks and associations that are emerging or have yet to be formed.

The massive expansion of PVO and NGO capacity which is taking place responds to the tremendous needs of the developing world and an increasing demand for the services of PVOs and their local NGO partners. This growth in both demand and supply contrasts dramatically, however, with downward pressures that are affecting both bilateral and multilateral assistance budgets. As a result, USAID's explicit support for the PVO/NGO community is not being matched by a commensurate increase in the flow of resources toward these organizations and the goals they are pursuing. One of USAID's greatest challenges is how to sustain its vital support to the PVO community in the face of dramatic budget reductions.

C. Customers and Partners

PVC's situation is somewhat unique within USAID. The PVOs with and through which it works are the office's customers, in that PVC's assistance helps to make them stronger. They are also the Office's partners, for they, in turn, help local NGOs and other local partners to become stronger by working with them to provide sustainable services to improve the lives of men, women and children in the developing world. PVO energies, like USAID's, are focused on the creation of sustainable patterns of goods and service delivery in key sectors in the developing countries and emerging democracies in which they work.

1. The Customers Served by PVC Programs

The ultimate customers, or beneficiaries, of the programs PVC administers are the people that benefit from the goods and services which PVOs and their NGO partners deliver. These goods and services support non-governmental efforts to improve health conditions, educational opportunities, and the productivity and profitability of the farms and businesses that provide people in developing countries with their livelihood. While PVC's role in reaching these customers depends on PVOs and other local intermediaries, it is nonetheless important. PVOs that receive grants from PVC deliver services, either directly or through local partners, that are of direct benefit to people throughout the developing world. Thus, for example:

- Through its Child Survival Grants, PVC supports PVOs and their partners, including local NGOs, local ministries of health and community based organizations, in the immunization of children and the provision of oral rehydration salts to children suffering from dehydration due to diarrhea. Mothers are counseled concerning disease and about the positive health effects of breastfeeding and child spacing.

- Through its Matching Grants program, PVC supports PVO/NGO efforts that deliver credit to female entrepreneurs outside of the formal banking system, which often denies them access.

PVC grant programs in these and other sectors focus on ensuring the sustainability and improvement of the kinds of services that customers receive from the U.S. PVOs and their local NGO counterparts.

Many of the customers who are affected by programs run by PVOs live in countries that face development or humanitarian assistance problems which are well known to USAID, e.g., floods, earthquakes and dysfunctional economic policies. Other customers live in countries that USAID has only recently begun to serve. These countries face problems that are relatively new to the development community, such as the challenge of building democratic institutions. The achievement of key elements of the PVC Results Framework, which is presented in Part III of this document, will allow PVC to serve its customers more effectively.

The PVOs that PVC assists, along with their partner NGOs, are also customers of PVC. Capacity improvements within these organizations are a primary benefit which these customers receive from PVC's investments. These investments, in turn, help to make PVOs more successful in affecting the ultimate customers, and better partners for the Agency as a whole.

2. PVC's Partners

PVC works in partnership with PVOs to carry out a wide range of grant programs that have developmental and humanitarian impacts. Through these organizations, PVC also works as an indirect partner in development and humanitarian programs carried out by local NGOs. As of October 1995, of the 434 U.S. PVOs registered with USAID, 130 were receiving assistance from PVC. Included in the latter number are 10 U.S. CDOs with which PVC has an ongoing relationship. The number of local NGOs and cooperative development organizations affected by these arrangements is not known at the present time, but reports from U.S. PVOs and CDOs suggest that this number is increasing and will continue to increase.

PVC has learned a number of important lessons from years of work with these development partners. With respect to its efforts to strengthen U.S. PVOs that are working on long term development problems, PVC has learned that investments in capacity building to improve the planning and management systems of PVOs, as well as those of their local NGO partners, enhance the replicability and "scaling up" of successful sustainable development programs initiated at the grassroots level. Another important lesson has been that the support of sectoral and other PVO and NGO networks, such as the Small Enterprise Education and Promotion (SEEP) network, fosters heightened capacity in a cost-effective manner.

In addition to considering PVOs and the local NGOs with which they work to be its development partners, PVC also views the USAID Missions overseas and other USAID bureaus as partners. PVC's relationship with these Missions is becoming more collaborative, and is based on joint efforts to ensure that the PVO activities we separately fund are well integrated at the country level. PVC's partnership with USAID Missions also extends to joint efforts which aim at ensuring that country-based Strategic Plans evolve from processes that involve U.S. PVOs and local NGOs. At the policy level, PVC works closely with PPC and the Global Bureau, and views them as important development partners.

Multilateral donors, foundations and other entities that engage in development assistance work are often involved in the programs carried out by the PVOs PVC supports or by their NGO partners. For this reason, PVC considers other donors to be its development partners. In support of this partnership, PVC contributes ideas and issues to PPC's Office of Development Partners and works on selected donor coordination task forces to help coordinate the capacity building efforts supported by other donors with PVC's own programs.

D. Opportunities and Constraints

1. Opportunities

Rapid increases in the number of PVOs and NGOs engaged in development work, and impressive strides in their skills and experience represent a major opportunity as well as a major challenge for PVC. Through these PVO/NGO resources, donors may be able to reach many more people with goods and services than has been possible in the past. What is more important, their chances of serving difficult to reach populations, e.g., the poor, refugees, etc., are heightened, since PVOs and NGOs have historically been better able to reach these populations through grassroots and community level programs than were government ministry programs or large donor projects. At the same time, the absorption of this growing pool of resources into the development community must be systematically addressed by USAID, other donors and host governments. USAID's program for registering U.S. PVOs and its efforts to register local NGOs that wish to work with the Agency help to safeguard against financial irresponsibility, and to facilitate efforts to absorb new PVO/NGO community members, and ensure the soundness of their operations.

USAID's commitment to working closely with U.S. PVOs, which the Administrator has repeatedly expressed, also represents a significant opportunity. USAID's new PVO Policy Paper, which was signed last year, reinforces the Agency's commitment to expanding its partnership with PVOs. These actions have created a climate in which USAID operating units are encouraged to work with PVOs and NGOs on a wide range of program tasks. This situation is giving many PVOs a chance to demonstrate skills in new areas. Ensuring that PVOs and their NGO partners have the capacity to succeed in new and expanded endeavors is what PVC considers to be its central task. All of its work on institutional strengthening aims at making these organizations better, more competent partners for USAID Missions, and for other donors and host governments as well.

NPI also represents an opportunity for PVC. In defining the ways in which the United States can strengthen its partnership with developing countries and emerging democracies, the New Partnership Initiative (NPI) specifically cites partnerships between U.S. PVOs and local NGOs that help to empower the latter by transferring to them needed technical, administrative and financial management skills. PVC's work with PVO partners to empower local NGOs embodies the spirit of the NPI. There is a natural fit between NPI and the PVO community with which the office works. PVOs and CDOs strengthen civil society by promoting democracy in the building of associations, cooperatives, and community based businesses. The NPI will encourage PVC to test new approaches and modalities for working with PVOs and CDOs and their NGO partners. It is also likely to stimulate a strengthening of PVC's partnerships with USAID Missions.

Building on all of these opportunities, PVC and its PVO partners have both the opportunity and an obligation to do more to communicate to the American people what they have learned and how they will apply these lessons to a new generation of development assistance efforts. In each community where U.S. PVOs have supporters, and in every town that is home to a Farmer-to-Farmer volunteer, there are countless opportunities that too often go unnoticed. Business associations, PTAs, and the men's and women's clubs that dot the religious and civic horizon are all centers where views are exchanged and public opinion is formed.

USAID's reengineering initiative also presents important opportunities:

- USAID's reengineering initiative complements PVC's experience by focusing on more efficient and less bureaucratic ways of interacting with the PVO community. Reengineering has already stimulated efforts to streamline and simplify PVO registration procedures; overseas travel clearance procedures; and procurement, where new Policy Principles have been developed.

- Similarly, reengineering's emphasis on teamwork, partnership and consultation has affected, and will continue to influence, PVC's approach to its strategic planning process in dramatic and groundbreaking ways.

- In addition, PVC's traditional role in strengthening the institutional base for PVO programs and its support of PVO efforts to strengthen local NGOs place the office in a strong position for a leadership role in expanding USAID's partnership with PVOs and empowering local NGOs.

All of these opportunities require an investment of human and financial capital on the part of the PVO community as well as on PVC's part. As the next section indicates, both of these resources are in increasingly short supply.

2. Constraints

PVC faces both internal and external constraints that may impede achievement of the strategic objective (SO) and intermediate results (IRs) which are described in detail in Part III below.

Internally, PVC confronts the same budgetary pressures that are affecting the rest of the Agency. Given the current climate on Capitol Hill, these pressures are not likely to diminish in the near term. Human and financial resources are important for PVC, since institutional strengthening of PVOs through PVC grants, and the strengthening of local NGOs by U.S. PVOs, are highly management intensive and require long term investments. At current levels, PVC's human and financial resources are being stretched. Further resource reductions will mean a decrease in PVC's ability to fund and manage the interventions that are necessary to achieve the results outlined in this plan.

Scarce funds function as an impediment not only to the programs PVC administers, but also to its ability to expand its own capacities. Within PVC, investments in staff capacity are warranted in some areas, including more time and resources for identifying and documenting development successes, designing performance monitoring systems and ensuring the collection of pertinent data, and analyzing trends in PVO and NGO funding and funding sources. Enhanced staff capacity is also needed to capitalize on the opportunities that NPI and the Agency's PVO policy paper have created, particularly in the area of NGO empowerment. Investments that upgrade skills of existing staff in these areas are warranted. Ideally, PVC would also add new skilled staff in one or two of these areas. These investments would complement PVC's already strong grant management, PVO policy formulation, institutional strengthening, and information dissemination skills.

Financial and human resource constraints imply a loss of opportunity to achieve more rapid progress toward objectives. For example, the Matching Grant and Child Survival programs, which are effective in developing improved PVO systems for sustainable service delivery and in leveraging USAID resources, could increase their impact by a large margin with an infusion of funds, without substantial corresponding increases in staffing and management, since these programs are well established. Similarly, human resource constraints have already been, and will continue to be, a limiting factor in PVC's ability to work with newer, smaller PVOs that require large amounts of planning assistance funds and staff time simply to become eligible to be our partners.

Budget limitations will require that PVC learn to think "smart" and creatively, if it is to support a growing and evolving PVO community that is facing new challenges every day. Traditional organizational structures and modes of operation will, inevitably, be challenged as PVC looks for new and more efficient ways to carry out its existing functions and to add new functions that reflect emerging needs within USAID and within the PVO/NGO community.

In addition to budget constraints, there are other internal constraints that result from misperceptions. For example, some individuals within the Agency view PVC's programs and its support for PVOs as competitors for scarce resources, rather than as supporting and enhancing other USAID activities that utilize PVOs and CDOs as implementing agents. This view can limit dialogue among offices and constrain PVC's ability to influence Agency policy, to the Agency's detriment. Secondly, the way in which Missions and Regional Bureaus define their strategic objectives affects whether and how PVOs, CDOs and their local NGO partners are integrated into country programs. Staffing limitations within Missions may also constrain such efforts, by forcing mission program and contracting staff to prefer investing larger amounts in fewer, and often larger, organizations.

Externally the factors that constrain PVC's ability to achieve its strategic objective include the fact that capacity building is a long-term process that involves a complex web of institutional variables which, in turn, depend upon organizational and human behavior. Short-term priority shifts within the institutions, and within USAID itself, may work against the process of long term capacity building. PVOs and NGOs work with Boards of Directors and donors to whom they must respond. The organizational changes that are required to be responsive to Directors and donors may create detours on the road to capacity building. Additionally, interactions among institutional variables that cannot be predicted or measured, as well as cultural and political factors that may also be difficult to isolate, may diminish progress toward the strengthened capacity and sustained improvements that PVC is seeking.

In all of this, PVC's success is closely linked to the success of the PVOs it assists. This is also true for most USAID Missions. As an Agency, USAID is highly dependent upon the capabilities of the partners it uses in implementing programs. This high level of dependence makes PVC's institutional strengthening programs even more important for sustainable development.

Part III Proposed Strategic Plan and Results Framework

A. Overview of PVC's Strategy and Linkage to Agency, Bureau and Mission Objectives

1. Overview of PVC's Strategy

PVC's strategic plan builds on the historical strengths and comparative advantages of the office. For nearly 20 years, PVC's support to the PVO community has focused on the institutional capacity these organizations need to develop in order to achieve the objectives of programs they undertake in developing countries and emerging democracies. PVC's relationship with the PVO community differs from the type of relationship a USAID Mission develops with a PVO. Mission funding of PVOs is normally oriented to the implementation of development programs. To compete for this type of funding, PVOs must already have, or be engaged in ongoing efforts to build, the capacity that is needed for development work. PVC is uniquely positioned within USAID to provide this type of capacity building assistance to the PVO community. Over the years, PVC's grants have helped many in the PVO community to develop their institutional capacities to the point where they are capable of running the kinds of programs USAID Missions fund and are working effectively on the cutting edge of development in priority sectors.

In selecting its strategic objective for the period covered by this plan, PVC's aim was to focus on capacity building not as an end in itself, but rather as the means, or foundation, for ensuring that its grant programs result in the provision of needed goods and services to people in the countries USAID assists. At the level of its strategic objective, PVC's interest goes beyond the institutional capacity of individual PVOs. What is important from a development perspective is the continuous improvement in the capability of the PVO community as a whole to respond effectively to the full range of challenges facing developing countries.

Reflecting this focus, PVC has selected a single strategic objective (SO) that draws together a number of critical and interconnected concerns. This objective calls for the: ***Increased capability of PVC's PVO partners to achieve sustainable service delivery.*** This objective has three interrelated aspects.

The first important aspect of this objective is its focus on improving the capacity or collective capability of the U.S. PVO community. Improvements in the capability of U.S. PVOs are viewed by PVC as being inextricably linked to service delivery improvements, irrespective of whether these services are being provided by PVOs directly or by their local NGO partners. Service delivery is the second important aspect of PVC's SO. Its inclusion in the objective statement forces PVC and its PVO partners to focus on and measure performance in these terms. The provision of goods and services does not guarantee that the kinds of development impacts USAID seeks will occur, but it is an essential prerequisite for such impact. The final aspect of PVC's SO is the expectation that services will be delivered on a sustainable basis. The delivery of needed goods and services must be organized in ways that do not depend upon perpetual support from USAID or other donors. PVC's SO is realistically limited to PVC's PVO partners. PVC directly affects only those members of the PVO community with which it is in contact. Indirectly, however, improvements that result from PVC's work with a limited set of PVOs should have a ripple effect in the PVO community as a whole.

By incorporating all of these important and interrelated aspects of PVO capability to provide sustainable service delivery into its SO, PVC is establishing a clear and direct link between the office's work, and that of its PVO partners, and the kinds of impact that BHR and USAID are broadly seeking. For this reason, PVC has selected ***Sustainable development impacts in priority sectors*** as its goal. This goal is consistent with and essential for the achievement of USAID's overall aim of sustainable development.

In the process of developing this plan in consultation with its PVO partners, it became apparent to PVC that a number of PVOs have stepped away from direct service delivery and are working increasingly with NGOs and other local partners to address development priorities. While PVC wanted to incorporate these efforts to strengthen NGOs and other local partners into its Results Framework, it viewed the achievement of this type of objective as being one step beyond its manageable interest at the present time. To accommodate this situation, PVC decided to establish a separate Sub-Goal that reflects the diversity of approaches employed by PVC grantees. This Sub-Goal which is pertinent for most but not all PVC grantee programs, aims at seeing: ***NGOs and other local partners strengthened.*** In placing this sub-goal along the results path that leads from the SO to the office's goal, PVC is saying that programs can either go through this sub-goal, and contribute to its achievement along the way, or they can go around it, as is the case when a PVO or CDO directly delivers services that support broad USAID objectives.

Increasing the capability of PVC's PVO partners to achieve sustainable service delivery encompasses a systematic move away from direct service delivery by U.S. PVOs and progressively towards the enhanced service delivery capacity and increased autonomy of their local partners. Inherent in this objective is the transfer of skills and technologies to local NGOs. PVC will continue to support efforts towards the "localization" of U.S. PVO country programs while at the same time placing increased emphasis on strengthening non-affiliated NGOs and local government partners. By concentrating on helping its partners "achieve" sustainable development rather than "deliver" services, PVC is providing "enabling" support for local transfer to happen. PVC has taken care to emphasize "achieve" because its partners work in a variety of ways to ensure the delivery of services. Both the concentration on PVO capacity and transfer to local counterparts are linked to achieving better service delivery.

Through matching grant guidelines for 1996, PVC began to encourage PVOs to form partnerships with local counterpart organizations using structured agreements that detail the roles and responsibilities of both parties. The office is building on that foundation by calling on PVOs whose programs PVC supports to strengthen the participation of local partner organizations in

their programs. PVC has learned that many of its partner PVOs are already engaged in the transfer of skills and resources to local NGOs. PVC's role in facilitating local capacity building is to assist PVOs along this path by promoting the inclusion of local capacity development into PVO programs.

Supporting the achievement of its SO, and the sub-goal and goal that reach beyond the level of PVC's manageable interest are five intermediate results (IRs), each of which contributes to the achievement of PVC's SO. These IRs build on the traditional strengths of the office while at the same time cutting across the grant programs PVC manages in a way that PVC anticipates will be both catalytic and synergistic. The five IRs on which PVC will concentrate its efforts include:

- ***Operational and Technical Capacity of U.S. PVOs Improved.*** This IR focuses on the capacity of the individual PVOs and CDOs with which PVC works. Improvements in the professional skills of PVO staff as well as in organizational systems and the application of "best practices" are envisioned.

- ***Strengthened Partnership between USAID and U.S. PVOs.*** This IR recognizes the importance of dialogue and collaboration in the relationship between USAID and U.S. PVOs. It builds upon the catalytic role that PVC has played in promoting policy and programmatic improvements that are already being forged between the Agency and the PVO community.

- ***Strengthened Partnership between U.S. PVOs and Local NGOs*** This IR reaffirms the importance of strengthening local NGO capacity and building upon the efforts that many PVOs are already making to structure partnerships that help shift the capability and the responsibility for sustainable service delivery to their NGO partners.

- ***Improved Mobilization of Resources by PVC's PVO Partners.*** This IR acknowledges the need for greater efforts on the part of the PVO community to diversify its income sources. The IR envisions steps PVC can take to assist PVOs in mobilizing the resources that will be needed to expand upon current programs and promote sustainability.

- ***U.S. Public Awareness Raised.*** This IR focuses on the responsibility that PVC and the PVO community share with respect to ensuring that the American people understand the intentions and impact of development programs, particularly those that U.S. PVOs and their local NGO partners carry out in collaboration with USAID.

PVC's Strategic Objective and the Results Framework of which it is a part reflect the office's primary mission: *to strengthen the development capabilities of U.S. PVOs.* PVC's Results Framework also includes a focus on the results that actually reach people. At the SO level, the phrase "achieve sustainable service delivery" is intended to suggest the importance PVC places on seeing both PVOs and their NGO partners produce measurable service delivery outcomes. Microenterprise credit programs supported by Matching Grants, for example, should result in loans to entrepreneurs who might not otherwise have access to credit. Service delivery is a clear objective of the PVC plan, and a primary responsibility of PVC grantees, at the SO level.

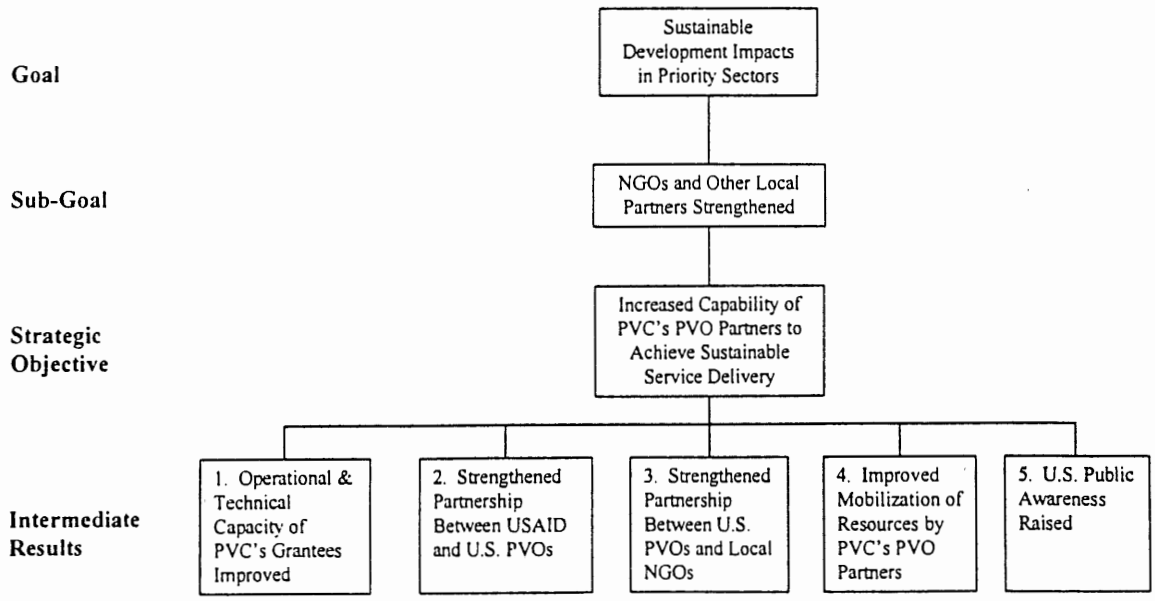
A summary of PVC's Results Framework is presented graphically in Figure 1 below. At the top of this hierarchy of objectives are the office's goal, sub-goal and strategic objective. PVC's SO is supported by five intermediate results, which are displayed in a subordinate position in Figure 1. The development hypothesis here is that PVOs and CDOs cannot increase their capability and foster sustained service delivery without better management systems and technical know-how; a strong working partnership with USAID; an equally strong relationship with their local partners; adequate financial resources mobilized by leveraging the grants they receive from USAID; and public awareness of the importance of international development.

The IRs that PVC has selected to support achievement of the office SO are themselves complex, and all are necessary elements of a comprehensive approach. The decision to consider these important results as IRs rather than a series of SOs derives from PVC's vision of its mandate and its sense of how far up this hierarchy of objectives the office can and should reach in defining which objectives are within PVC's "manageable interest." The SO that is the focal point of this strategic plan aptly characterizes what PVC believes to be the level to which it should aspire and which, from a management perspective, it has the capacity and potential to reach.

2. Linkage to Agency, Bureau and Mission Objectives

PVC's SO is directly linked to the achievement of its goal of *sustainable development impact in priority sectors*, as Figure 1 displays. Achievement of PVC's SO and goal contributes, in turn, to USAID's ability to achieve the five core objectives that define its *sustainable development* strategy. When PVC refers to USAID's sustainable development aims in the text of this strategic plan, it is implicitly referencing the Agency's five core objectives and the way in which the office's Results Framework contributes to success in each of these areas. In the paragraphs that follow, each of these objectives is identified and the relationship between PVC's plan and their achievement is summarized.

Figure 1. BHR/PVC Results Framework



- *Broad-based economic growth* : Strengthened PVO/NGO capacity is central to the expansion of access and opportunity within a society, which is fostered through the promotion of microenterprise and small business and the building of human skills and capacities. In addition, many local NGO partners of PVC grantees are directly involved in production and marketing, particularly in the agricultural sector, and can be excellent resources for technology transfer.

- *Health and population*: Effective health and population programs must be responsive to needs and problems that are defined locally and that actively involve clients as well as providers in their design, implementation and assessment. This relies heavily on the capacity of PVC's Child Survival grantees. Shipments of medical equipment through the Denton and Ocean Freight Programs complement these efforts.

- *Environment*: Strengthened local NGO capacity is critically important because environmental solutions begin at the local level. PVC is working with U.S. PVOs and their NGO partners through its Matching Grants Program. Work in this area is also just beginning to emerge at the sub-project level within the Farmer-to-Farmer Program.

- *Democracy*: A viable and functioning NGO sector sustains and promotes effective representative institutions. U.S. PVOs can be active partners in direct interventions that strengthen these organizations as well as promote the democratic process.

- *Crisis Avoidance, Mitigation and Relief*: Strengthened PVO capacity that is fostered by the kinds of development-oriented programs PVC administers also translates into improved capacity in times of crisis.

While PVC's SO has direct links to Agency-wide objectives, it also supports key elements of BHR's strategic plan, including the bureau's goal of "*increased participation of vulnerable groups in sustainable development*" and its third, fourth and fifth SOs:

BHR SO 3: *Strengthened capability of PVO and NGO community and international organizations to deliver development and emergency services*;

BHR SO 4: *Sustained improvements in household nutrition and agricultural productivity for vulnerable groups served by USAID food aid programs; and*

BHR SO 5: *BHR more effectively influences Agency integration of food security, disaster relief, and PVO/NGO collaboration in strategic planning for country programs.*

In citing these elements of BHR's Results Framework, PVC is distinguishing the support it provides to the BHR plan as support that focuses on the development side of the "relief-to-development continuum."

With respect to BHR SO 3, PVC considers itself the lead office for the bureau. Its office-level SO, which focuses on the ability of PVOs and their NGO partners to provide services on a

sustainable basis, feeds directly into this bureau-level SO. PVC's contribution to BHR SO also direct and significant. The office's liaison function is central to Agency efforts to integrate PVOs into USAID's strategic planning processes, and its sustained involvement in USAID policy development will help bureau efforts to achieve this objective.

In addition to the direct contributions PVC's SO makes to bureau-level SOs 3 and 5, the office plays a small role in the bureau's effort to achieve BHR SO 4, through its Farmer-to-Farmer Program and Cooperative Development Grant Program, both of which focus on increasing agricultural production and ultimately improving household nutrition.

Overseas, PVC requires that the programs of its recipients fit clearly into mission strategies and facilitate the achievement of mission-level SOs and goals. In developing their proposals in response to PVC RFAs, U.S. PVOs often consult with USAID Missions in the countries in which they intend to work. Missions and Regional Bureaus are also involved in a process that links PVO programs to USAID objectives when they review proposals developed in response to PVC RFAs. While this document is not the proper vehicle for examining the range of mission-level objectives to which the programs of PVC grantees respond, it is important to note that such integration is a PVC objective, and the office includes within its strategic plan several steps that focus on improvements in the integration of mission and PVO objectives at the country level.

B. Strategic Objective and Intermediate Results

1. Strategic Objective: *Increased Capability of PVC's PVO Partners to Achieve Sustainable Service Delivery*

PVC's Strategic Objective (SO): ***increased capability of PVC's PVO partners to achieve sustainable service delivery*** reflects two main themes that are evident in PVC's portfolio: institutional strengthening and service delivery. At this level, the capability on which PVC's efforts focus is the collective capability of the U.S. PVO community and the ability of this community to bring about sustainable service delivery overseas, whether through its own efforts or through the work of its local NGO partners.

PVC's articulation of its SO stresses the importance of capacity development and the essential fact that increased capacity must, if it is to be justified, lead to results, in terms of goods and services delivered at the community level. A capability at the level of the U.S. PVO community depends not only on the IRs PVC has included in its Results Framework, but also on the effectiveness of PVC and USAID Mission efforts to integrate PVOs' efforts into mission strategies at the country level. Extensive and varied field experience is essential for the full development of the U.S. PVO community's capacity to ensure sustainable service delivery overseas.

The fundamental problem that PVC's strategy, and its SO in particular, is designed to alleviate is that of the institutional limitations of U.S. PVOs, and their local partners, to deliver services on a sustainable basis. The causes of problems PVOs and CDOs face in this regard are both internal and external to the entities PVC assists. The internal causes of sub-optimal institutional capacity are related to the natural growth curve and maturation of non-profit organizations. Some newer PVOs lack sufficient sophistication, in terms of their human resources, equipment and management systems, to deliver services effectively and in a manner that can be sustained in the countries in which USAID works. Other PVC-assisted PVOs, in contrast, have become quite sophisticated over the years, as a result of capacity building grants they received. Yet even these more sophisticated PVOs face problems of an external, and often budgetary, nature which can impede their ability to ensure sustainable service delivery.

Work already carried out by PVC has shown notable success in strengthening the PVO community. For example:

- PVC **Matching Grant** support has resulted in the creation of professional microenterprise units in eight PVOs that are sustaining vastly increased numbers of small loans.

- Through **Child Survival Grants**, more than 25 PVOs have developed technically rigorous child survival programs that both deliver effective services and transfer skills to local health providers and local organizations.

- Implementation capacity for the **Farmer-to-Farmer Program** has increased from an initial set of two grantees in 1990 to six at the present time, and it is expected that still more grantees will be added in 1997. This program is a proving ground for developing professional international volunteer assistance programs and the management systems required to support them.

- Under the **Cooperative Development Program,** major U.S. cooperatives have developed an international capability to promote and assist counterpart cooperatives and cooperative federations overseas. Three new grantees were added to the program in 1995 to expand the sectors in which U.S. cooperatives have international expertise.

- The **Ocean Freight Reimbursement Program** (OFR) enables PVOs to expand their level of operations to areas where they normally would not be engaged due to prohibitively high shipping costs. The program allows smaller organizations as well as large established groups to expand their operational capacities. Because smaller organizations tend to rely on volunteers to carry out their OFR activities, the OFR program indirectly contributes to expanding the size of the volunteer base for development assistance.

- As of the end of March 1996, the **Denton Program**, which helps to ensure that medical supplies and equipment reach programs in developing countries for the lowest possible cost, had received 102 applications from 63 organizations requesting transport of 5,542,658 lbs. of humanitarian aid.

- **Development Education** is a program USAID established to facilitate widespread public discussion, analysis, and review of the issues raised by the 1980 Presidential Commission on World Hunger and its call for increased public awareness of the political, economic, technical and social factors relating to hunger and poverty. The program makes grants and provides capacity building services to PVOs through an annual conference on education and outreach methodologies and through the dissemination of best practices utilized in the PVO community. All Development Education projects have the potential to interest and involve the U.S. public in development issues.

PVC has a number of grant programs that will contribute to the achievement of this SO. In addition, PVC views the work of its staff on policy development, liaison with USAID Missions and Regional Bureaus, the communication of "best practices" to members of its partner community, and its efforts to disseminate information on PVO programs to the public as substantive contributions to the achievement of this SO. To the degree possible in USAID's current budget environment, PVC will identify and use opportunities for cost savings in some areas to support the introduction of more innovative approaches in others.

2. Intermediate Results

The five intermediate results (IRs) outlined in this section are all expected to contribute to the achievement of PVC's SO. They do so in a manner that cuts across office units. Specific IRs are not associated with one particular division or grant program. Instead, elements of the work carried out in each of PVC's divisions contribute to several of these objectives. The result of PVC's decision to go forward with cross-cutting IRs has been an improved understanding on the part of each of its divisions of the parallel and complementary work of other divisions. From an implementation perspective, these cross-cutting IRs require closer coordination between divisions, as well as encouraging a sense of shared responsibilities for managing progress towards and ultimately achieving PVC's IRs.

In developing its Results Framework, PVC staff and partners examined the causal links in the PVC strategy below the IR level. Objective Trees were developed that identified lower level results, activities which PVC is currently carrying out in support of those results, and additional activities which PVC may elect to undertake in the future. These Objective Trees were discussed and refined in two day-long strategic planning exercises in which all PVC staff were involved. Figure 1 on page 16 displays PVC's Goal, Sub-Goal, SO and the five IRs that support this structure of results. The most important lower level results identified through this process are shown in Figure 2 through Figure 6 which identify subordinate results that contribute to each of the office's five IRs. The causal relationships within each of these supplementary Objective Trees is described below, as PVC's IRs are taken up in sequence.

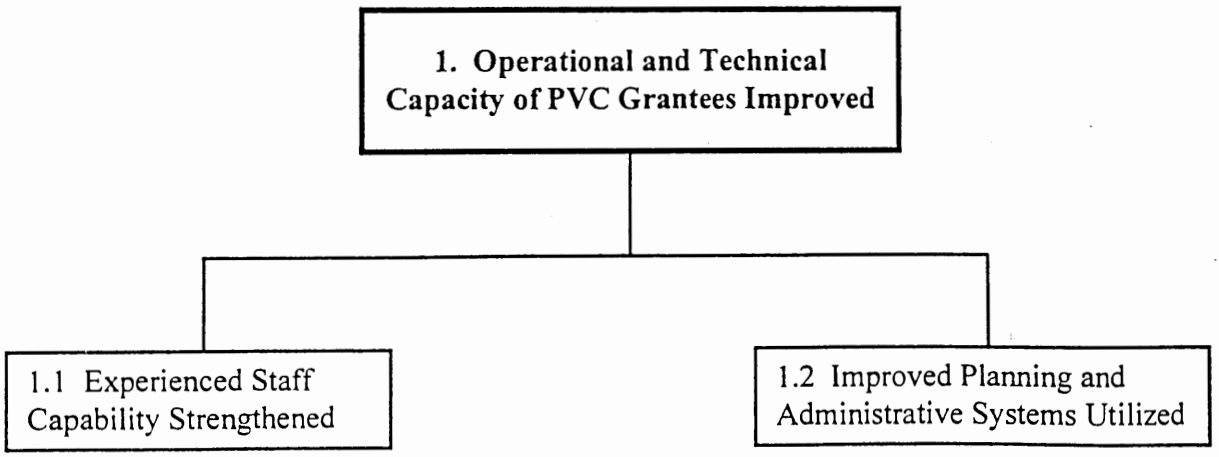
IR 1: ***Operational & Technical Capacity of U.S. PVOs Improved***

(1) Rationale and Linkage to PVC's Strategic Objective

In contrast to PVC's SO, which focuses on the collective capability of U.S. PVOs to bring about sustainable service delivery in developing countries, IR 1, depicted in Figure 2 below focuses on the operational and technical capacity of individual PVOs. More specifically, it focuses on the operational and technical capacities of PVC grantees.

The operational and technical capacity of U.S. PVOs directly affects their ability to achieve sustainable service delivery. Capacity, in this sense, describes both the extent and limits of PVO ability to carry out the kinds of tasks that are necessary to ensure sustainable service delivery, including training and technical assistance provided to local NGOs.

Figure 2. PVC's First Intermediate Result



2) Subordinate Results and Strategy

Improvements in the operational and technical capacity of PVC's grantees are viewed as resulting from changes in PVO staff capacity and changes in their internal planning and administrative systems. These two areas comprise the key subordinate results upon which improvements in capacity at the level of IR 1 depend.

Invariably, any decision about how to display the subordinate results that lead to the achievement of an IR ignore some important linkages. In the case of IR 1, the division made by Figure 2 between staff and system improvements could suggest that these areas of action can be addressed independently. Such is not the case, however. Planning and administrative systems in U.S. PVOs affect staff performance, and system improvements depend upon staff action. To understand PVC's strategy for IR 1, the existence of these kinds of linkages must be recognized.

IR 1.1 ***Staff Capability Strengthened***

Staff capability is defined here as a combination of skills, knowledge and access to resources. Basic skills are a core asset of an organization. They are embedded in the educational credentials and previous work experience of staff. To these core skills staff continually add new knowledge. This includes knowledge about the sectors and countries in which the PVO operates and about the experiences of other PVOs.

a. Ensuring that Appropriate Skills Are Available

In order to improve the quality and extensiveness of their work, PVOs often need to have access to specialized skills. Sometimes those skills exist within the organization, but are unavailable because there are many competing demands for individuals who have those skills. PVOs that simply need more skilled individuals can find themselves just as constrained as those that need skills that no one in the organization possesses. PVOs gain access to the additional skills they need either by hiring new staff or by engaging qualified external resource personnel on a short term basis.

PVC grants, particularly its Matching Grants and its Child Survival Grants, offer PVOs an opportunity to upgrade their staff skills, either by hiring new personnel or engaging experts on a short term basis. In the Child Survival Program, for example, grantees are required to have technically qualified personnel who are knowledgeable about state-of-the-art practices.

b. Applying Best Practices

In order to perform optimally, the staff of U.S. PVOs need to be alert to new information and practices that can improve the operation of their programs and increase the likelihood of sustainable service delivery in developing countries. What is needed is an ongoing set of processes that brings new information to the attention of busy staff.

Staff initiative is one of the resources upon which PVOs depend to ensure that "best practices" in their fields of endeavor are known and applied. Requirements rarely encourage people to search out information or to read and absorb it. Rewards for doing so, including recognition, are far more likely to spur these kinds of efforts. A second mechanism for bringing new information, particularly information about management practices within the organization, to the attention of staff is training. In addition, the identification and application of best practices depends upon improvements that U.S. PVOs make in work planning and in their monitoring and evaluation systems.

PVC support for efforts by the staff of U.S. PVOs to gain knowledge about the state-of-the-art in the fields in which they work and to acquire "lessons learned" from USAID's experience with a wide range of programs and countries comes from a number of sources. Involvement in PVC's grant programs provides PVOs with a strong line of access to information from USAID sources. For example, PVC's Matching Grants Program has in place a support program to enhance the capabilities of its grantees called **Global Excellence in Management (GEM)**. Through GEM, a series of conferences and seminars are conducted throughout the year to strengthen staff capabilities and improve planning and administrative systems. GEM support activities include the Organizational Excellence Program and Executive Certificate Program to strengthen strategic planning and leadership capabilities of PVO and NGO staff; the PVO and NGO Partnership Program; and the Sector Organizational Alliance Program, all of which focus on improved collaboration, information-sharing and networking; and a Global Bench-Marking initiative focused on sharing information about best practices in a range of technical sectors in development.

The Matching Grants Program also continues to evolve as the state-of-the-art for sustainable service delivery deepens and broadens in scope and focus. Through direct grant support for programs collaboratively designed by PVOs and USAID Missions, local cost recovery models have emerged. Support to hire well-qualified technical staff for Save the Children, Catholic Relief Services, Foundation for International Community Assistance, Inc., and Childreach microenterprise programs, for example, has resulted in the development of coherent and acceptable microenterprise development program methodologies where efficiency and scale are paramount and are leading towards self-sufficient local programs.

In the first instance, it is important for U.S. PVOs to ensure that best practices are shared internally and applied to future programming within the organization that identified these improvements. Several other PVC efforts also provide opportunities for the exchange of information on "best practices" between organizations, including:

- Under PVC's Child Survival Grant Program, a technical support contract was established which focuses on the identification and dissemination of best practices and state-of-the-art knowledge to PVC-funded PVOs. This type of activity is also undertaken in support of PVC's Development Education Grants.

- The **Small Enterprise Education and Promotion Network (SEEP)**, created through minor support to its Secretariat under the Matching Grant Program, provides a venue for PVOs implementing credit and savings activities to learn from each other and from experts in the field of microenterprise lending.

- The recently initiated **Sustainable Services Delivery Program (SDS)** is a technical assistance vehicle designed to assist growing numbers of PVOs to design and implement sustainable service delivery, particularly those organizations that combine a poverty lending component with education and training models.

- To transfer state-of-the-art knowledge in the **Farmer-to-Farmer Program (FTF)**, grantees assign highly qualified volunteers, who are current in their professional knowledge and experience in the U.S. agricultural sector, to assist host organizations in developing, middle income and emerging democracy countries.

- Through its annual conference for Development Education Program grantees, PVC exchanges information on best practices as well as recent information on education and outreach methodologies.

In addition to ongoing work that focuses on the transfer of state-of-the-art knowledge and on the awareness of PVO staff of "lessons learned" through USAID's experience overseas, PVOs are encouraged to use resources under their PVC grants to ensure that staff are given adequate training when new management systems, of the type discussed under IR 1.2 below, are introduced. PVC also works with grantees to ensure that they have an adequate understanding of PVC's requirements. While this work has a "hands-on" quality, it properly falls within the realm of PVO management training. For example:

- Under the Child Survival Grants and Development Education Grants Programs, PVC provides consultations and written feedback on proposals, implementation plans and work plans in order to improve implementation systems.

- To assist new PVOs, PVC's staff hold de-briefings with those PVOs whose Matching Grant proposals were judged non-competitive. These meetings often address the PVOs' strategic planning processes, workplans, business plans, and field backstopping in relation to the proposed activity. Taking these considerations into account, a PVO may then strengthen and revise its proposal for future submission.

- As a means of familiarizing PVOs with USAID's approach to strategic planning and performance measurement, PVC ran participatory workshops this past year, in conjunction with its briefings for the PVO community on PVC's new RFA procedures.

IR 1.2 *Improved Planning and Administrative Systems Utilized*

This subordinate IR focuses on the quality of PVO planning and administrative systems. Generally speaking, grantees with which PVC has worked over an extended period tend to have stronger planning and administrative systems than do newer PVOs or PVOs that have not worked with USAID in the past. The upgrading of planning and administrative systems is a complex task for any organization. For PVOs that operate with a minimal administrative staff, it can be difficult to find the time and the resources required to address needs in these areas. For this reason, PVC encourages and funds such improvements through its grant programs.

PVC's grant programs support efforts that its PVO grantees are making to upgrade their planning and administrative systems, as described below:

a. Planning and Performance Monitoring Systems

PVC's Matching Grant Program specifically encourages the adoption and utilization of strategic planning approaches and systems. In addition, aspects of both the GEM and SDS efforts focus on improvements in PVO strategic planning systems. Improvements in the implementation and work planning processes in PVOs are encouraged by PVC. Matching Grant and Child Survival Grantees are required to develop detailed implementation plans within nine months of the time they receive their grants. These plans are submitted to USAID for review and comment. They are a vehicle for strengthening PVO technical and implementation capacity. Informal technical assistance is also provided to PVC grantees by the PVC staff.

PVC holds workshops with its grantees to assist them with monitoring and evaluation sys. to help them standardize the methods they use to ascertain what is needed in a particular situation; a. to collect performance data on their efforts. Workshop sessions that focus on survey methodology address needs in this area. In the Child Survival Program, such skills are particularly important since all Child Survival Program grantees are required to complete baseline and final surveys in order to measure impact of the proposed program(s). Historically, all of the grant programs PVC administers on a competitive basis have included requirements for mid-term and final evaluations, as part of institutional strengthening. PVC works collaboratively with grantees to set up these evaluations. Evaluation teams normally include staff of the PVO involved as well as external evaluation professionals who assess program achievements and help to strengthen PVO in-house capability to conduct evaluations and use evaluation findings to improve program content.

b. Administrative Systems

Participation in PVC grant programs requires a high level of rigor on the part of PVOs. Grantees in the Matching Grant Program and PVOs that participate in Ocean Freight Reimbursement, for example, must meet guidelines established in PVC RFAs for financial management and procurement. To this end, PVC provides periodic workshops, alone or jointly with other bureaus, which PVO grantees and new applicants are encouraged to attend.

Through its grant programs, PVC encourages PVOs to strengthen staff capabilities in field support. Field support is a headquarters function through which backstopping is provided to personnel overseas. Salary and insurance payments, telecommunications support and assistance in establishing and supplying an office may be involved. In addition, field support may involve providing short-term consultants, conducting site visits, and training field staff. Headquarters offices must effectively respond to requests from the field and ensure that lessons from field experiences are incorporated into its planning and management systems, thereby making sure that lessons learned are accessible organization-wide and are applied to future programming. PVC's support allows U.S. PVOs to expand and upgrade their staff in order to improve their organization's performance of this function. Improvements in the physical capital of an organization can also help to enhance its planning and administrative systems. PVC grants also provide PVOs with a basis for upgrading and introducing computers, fax machines, computer software and Internet access where they were not previously available.

IR 2: ***Strengthened Partnership Between USAID and U.S. PVOs***

(1) Rationale and Linkage to PVC's Strategic Objective

A strengthened partnership between USAID and U.S. PVOs (IR 2) is central to PVC's efforts of realizing its strategic objective of increasing the capabilities of PVO partners to achieve sustainable service delivery. PVC's grant programs and related activities enable it to engage in dialogue with senior management of U.S. PVOs on policy and programmatic issues of importance to PVC and its PVO partners. Such collaboration also indirectly contributes to strengthening the local partners of U.S. PVOs which, in turn, helps to advance USAID's broad strategic development objectives. In addition, strengthened linkages between USAID and PVOs also enhance the overall capabilities of the office to address the concerns and interests of the beneficiary groups that PVC-supported development programs are designed to help. Similarly, by joining with the PVO community to work on development issues of mutual concern, PVC is better positioned to advance the Agency's New Partnerships Initiative (NPI) which focuses, in part, on the linkages between U.S. PVOs and local NGOs. Moreover, through our relationships with the PVO community, the office is drawn into the mainstream of development initiatives

dealing with primary health care, environmental protection, small business development, the expansion of opportunities for women to participate in and benefit from the development process and democratic initiatives.

Exemplified by shared goals, trust, and reliance upon the strengths of each partner, a healthy partnership provides the underpinning for progress toward sustainable development. If the partnership is truly successful, both USAID and U.S. PVOs will achieve development results that neither could alone. PVC's efforts to facilitate a strong and broad-based partnership will help to ensure that the U.S. PVOs with which it works are acting in concert with USAID goals, are results-oriented, and are able to accomplish lasting change. For example, the strengthened partnership toward which we strive will be reflected in improved PVO programs that match USAID programming priorities and utilize approaches that include greater host country participation in program design and implementation; feature partnership relationships with indigenous NGOs; and promote the development of civil society through private organizations. As the partnership itself grows stronger, so also will the programs that are built upon it.

(2) Subordinate Results and Strategy

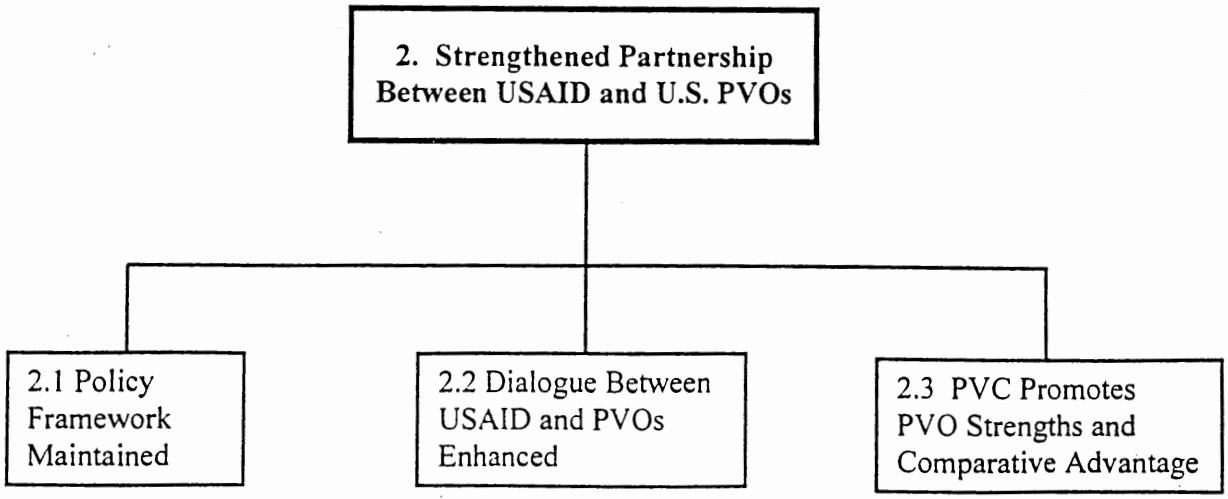
A strengthened partnership between USAID and the U.S. PVO community is an essential element of PVC's overall strategy. At the same time, some of its elements are beyond PVC's direct control. In these areas, PVC must use its influence to bring about change, rather than its resources. A similar situation pertains when USAID Missions prepare Results Frameworks that incorporate the tasks that other donors are expected to carry out.

PVC views the development of a strengthened partnership between USAID and the U.S. PVO community as dependent upon three subordinate results, including:

- The maintenance of a supportive policy framework (IR 2.1);
- An enhanced dialogue between U.S. PVOs and USAID (IR 2.2); and
- PVC's Promotion of PVO Strengths and Comparative Advantages as USAID Implementing Agents (IR 2.3).

Figure 3 below illustrates this relationship.

Figure 3. PVC's Second Intermediate Result



IR 2.1 *Policy Framework Maintained*

Broadly speaking, the kind of policy framework that is needed to facilitate a strengthened USAID partnership with the U.S. PVO community already exists. The task that remains is to maintain and build upon this foundation.

Improvements in the policy framework for a strengthened partnership with the U.S. PVO community have been made over the past several years, with the encouragement of USAID's Administrator. USAID's PVO Partnership Policy Paper and the NPI are critical elements of this framework. The work of the Advisory Committee on Voluntary Foreign Aid (ACVFA) is also essential to the maintenance of a sound policy framework. In addition, ongoing efforts by PVC to simplify its PVO registration procedures and other paperwork processes are helping to create a more collaborative atmosphere. So too are the efforts PVC has made to develop clearer and simpler RFA guidelines, and to explain them in workshops for the PVO community. USAID's Customer Service Plan, which began with a survey of PVC's PVO partner-customers, has already been helpful in identifying ways in which the partnership sought by this IR can be encouraged.

USAID's partnership with the PVO community is strengthened when USAID policies affecting PVOs reflect PVOs' views and comparative advantages. PVC helps to facilitate the inclusion of PVOs into Agency policy-making. Specific examples include:

- PVC's involvement in the development of the New Partnerships Initiative, on which PVO views were actively sought as the initiative evolved;
- Office involvement in the development of USAID's new PVO Policy Paper, and its role as a representative of PVOs' views;
- PVC involvement in the revision of USAID procurement guidelines, which benefited from issues and observations offered by PVOs; and,
- ACVFA quarterly meetings and its preparatory Subcommittee meetings where major policies are considered, and recommendations are provided to USAID after being discussed in the public quarterly meeting forum. In addition to providing input on issues such as procurement and travel policy, ACVFA recently provided USAID with recommendations on Agency policies and directives dealing with women in development.

IR 2.2 *Dialogue Between USAID and PVOs Enhanced*

A dialogue of the type suggested here consists of information that flows in both directions. We are seeking to open and maintain lines of communication through which PVOs are informed about USAID policies, programs and procedures, and can contribute and respond to them. The two-way flow of information should also include evaluation findings and other sources of "lessons learned." Open communication allows both partners to understand the framework in which each operates, and this shared understanding helps to strengthen the partnership.

PVC initiates communication about program-specific information by issuing RFAs for PVC's major grant activities. These RFAs outline program guidelines and eligibility criteria, and provide details about the parameters of USAID assistance. PVC grantees are also provided parameters for their programs through clauses in cooperative agreements and in guidelines for preparation of detailed implementation plans. In addition, RFAs also inform and provide guidance to PVOs about ways in which they can, with PVC assistance, build institutional capacity in program areas of importance to USAID.

PVC also promotes two-way dialogue by hosting conferences and workshops. PVC conducts an annual RFA workshop which serves as a forum for communicating policy and program information. In addition, operational units conduct specific workshops such as the CDO seminar series, Farmer-to-Farmer Program Implementors' conferences, and PVC's Child Survival workshops.

Processes for program monitoring and evaluation exist within USAID and in a number of U.S. PVOs. Unfortunately, the Agency and its PVO partners do not necessarily share key lessons learned. Even more difficult to ensure is the exchange of lessons between one PVO and another. The two-way communication envisioned in IR 2.2 focuses directly on this exchange to address gaps in this area.

To facilitate an exchange of information between USAID and the PVO community as well as among PVOs, PVC hosts annual conferences and workshops for PVOs that: discuss program criteria and/or technical issues; provide a forum to share experiences and lessons learned; and provide information on "state-of-the-art" in various technical sectors. Specific examples include:

- Opportunities for exchanging lessons learned and information about best practices in the RFA workshops PVC conducts, including its workshops for those PVOs that are involved in the Farmer-to-Farmer Program in the NIS region;

- Quarterly meetings that involve USAID Bureaus and CDOs in discussions of topics of mutual interest, such as CDO participation in the NPI;

- Annual conferences for Child Survival grantees and for Development Education Program collaborators which bring USAID and PVO staff together to share experiences, lessons learned, and best practices over a 2-3 day period; and,

- Small Enterprise Education and Promotion Network (SEEP) workshops that bring PVO practitioners together to discuss the latest developments in the microenterprise field. As a funder of SEEP, USAID representatives also frequently attend these sessions.

Finally, PVC strengthens the two-way dialogue between USAID and the PVO community by administering post-proposal review debriefings. PVC comments on PVO program concepts and provides detailed debriefings after grant proposals are reviewed. Other mechanisms used to help solidify the linkages between PVC and the PVO community include, but are not limited to: conducting evaluation debriefings; promoting PVO capabilities with other parts of USAID and outside the Agency; opening a PVC staff dialogue with USAID Missions regarding PVO services; responding to Congressional inquiries about PVO activities and accomplishments; and hosting brown bag luncheons to spotlight particular PVO programs.

IR 2.3 *PVC Promotes PVO Strengths and Comparative Advantages*

In the view of PVC's PVO partner-customers, one of PVC's important roles is that of advocate for PVO involvement in field programs with USAID Missions and Bureaus. By being knowledgeable about PVO capacities and sharing that knowledge with other parts of the Agency, PVC can open doors that might not otherwise be open to PVOs and the local NGOs with which they work. PVOs also need to perform to make this element of the IR 2 structure effective. They must market themselves to Missions and seek opportunities to help Missions develop their strategies as well as pursuing opportunities to implement particular aspects of these country-level strategies.

A strengthened partnership is supported by PVC efforts to build an awareness and understanding of PVO strengths and comparative advantages by disseminating information including:

- Detailing PVO capabilities to other parts of the Agency and other donors;
- PVC staff dialogue with mission staff while on TDYs;
- PVC staff serving on proposal review panels for other Offices, particularly those that include submissions from PVOs;
- Responding to requests for information from other USAID units, Missions, Congress, and the general public;
- PVC staff hosting brown-bag luncheons highlighting particular PVO programs; and,
- Sharing evaluation lessons throughout the Agency.

IR 3: *Strengthened Partnership between U.S. PVOs and Local NGOs*

IR 3 focuses on the relationships that link U.S. PVOs and local NGO partners overseas. The rationale for this IR and PVC's strategy for achieving it are outlined below.

(1) Rationale and Linkage to PVC's Strategic Objective

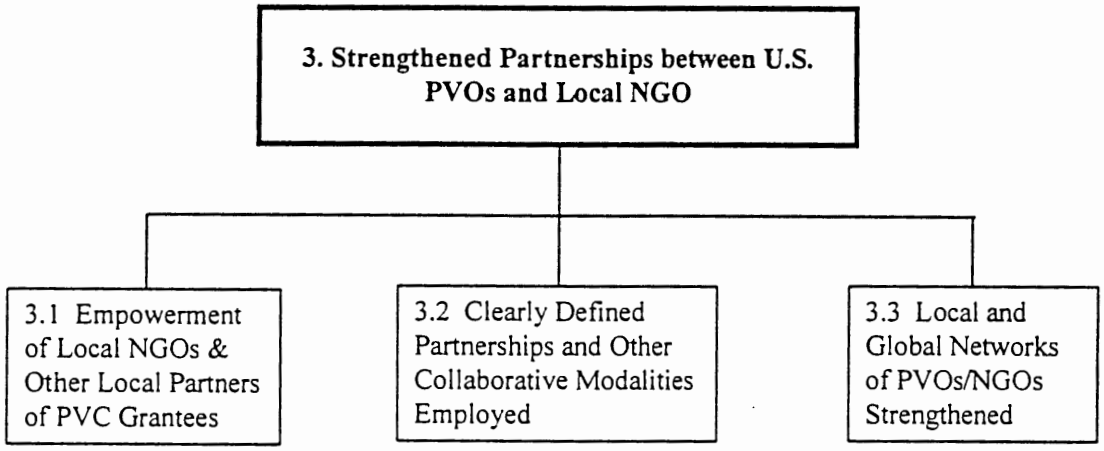
In several of PVC's grant programs and in mission-funded efforts, U.S. PVOs are moving into a "mentoring" role, i.e., they are helping local NGOs to develop the capacity to provide sustainable service delivery on their own. This approach has the potential for multiplying the value of U.S. PVO activities several-fold. At best, any one U.S. PVO will reach only so many people when it delivers services directly. When it works through and strengthens local NGOs, it may reach higher numbers of people.

IR 3 is critical for achieving increased capability of PVO partners to achieve sustainable service delivery because local NGOs are themselves change and delivery agents. As USAID's policies make clear, efforts to strengthen local NGOs are valuable in and of themselves. One reason is that local NGOs are an important element of the civil societies USAID is helping to build. That these local NGOs can also deliver services which are important for other developmental reasons is an added benefit.

(2) Subordinate Results and Strategy

Figure 4 below presents the elements that work together for the achievement of IR 3. Each element of this strategy focuses on an important aspect of the relationship between U.S. PVOs and their overseas partners. As indicated above, empowerment is critical for a meaningful partnership. For this reason, IR 3.1 focuses on this aspect of the PVO-NGO relationship strengthening effort. IR 3.2 focuses on the modalities that U.S. PVOs and their local NGO partners utilize to solidify their working relationships and to deliver the services they both consider important. IR 3.3 looks beyond the one-to-one linkages that are being established between PVOs and their local NGO partners to the development of networks of organizations or associations that can provide support to the efforts being made by PVOs and local NGOs.

Figure 4. PVC's Third Intermediate Result



IR 3.1 ***Empowerment of Local NGOs and other Local Partners of PVC Grantees***

In order to have a strong partnership between U.S. PVOs and local NGOs, both participants must be empowered. The two-way communication and equal collaboration implied by partnership cannot be achieved without empowerment of local NGOs. A key purpose of such partnerships is to strengthen the local NGOs to be able to assume more responsibility to design and deliver development programs.

PVC views the empowerment of local NGOs and other local partners of U.S. PVOs as dependent upon the achievement of several lower level results, including: training provided to NGOs and other local partners by U.S. PVOs; technical assistance provided to NGOs and other local partners by U.S. PVOs; successful efforts by U.S. PVOs that facilitate the registration of local NGOs; and PVC promotion of the role of local NGOs in USAID strategies.

Training of local NGOs by U.S. PVOs includes direct training and training of trainers. Many of PVC's grant programs include both forms of training as essential elements of their field activities. Training can consist of technical competency or managerial, administrative and financial skill development. PVOs working with PVC also use various methods of providing technical assistance to their local NGO partners. As with training, technical assistance enhances the NGO's managerial competence and technical capacity.

PVC is a focal point in USAID for disseminating information on best practices and lessons U.S. PVOs have learned about working with and through local NGOs. To accomplish this, PVC will focus its activities on: improving PVC's dialogue with the NPI Leading Edge Missions (LEMs), increased support to local NGOs through PVC's U.S. PVO partners, and disseminating best practices and other relevant information on local NGOs.

IR 3.2 *Clearly Defined Partnerships and Other Collaborative Modalities Employed*

PVC already promotes formalized relationships between PVOs and local NGOs with those of its grantees who have programs that can move toward greater reliance on local NGOs to deliver relevant program services. In practice, the development of such linkages is facilitated by the existence of collaborative modalities through which such partnerships can be strengthened. PVC grants represent one such modality, but they alone are not sufficient. Other vehicles for collaboration also need to be in place, e.g., links with and through other international donors, North-North PVO links, South-South NGO links, and North-South links and various resource transfer mechanisms.

PVC has developed links with other international donors which will be expanded in the future. These donors include: European Commission, European Union, World Bank, and other bilateral and multilateral agencies. It is PVC's intention to use these linkages to promote the use of PVOs and local NGOs as implementors of development assistance programs wherever such organizations have a comparative advantage. PVC also has a set of programs that facilitate and nurture strengthened PVO-NGO partnerships, e.g., GEM, SEEP, SDS. These programs help to improve the quality of PVO programs and, by extension, the quality of programs run by the local partners of these PVOs.

IR 3.3 *Local and Global Networks of PVOs and NGOs Strengthened*

A critical element of the strengthened partnership is the construction of sustainable local and global networks which promote the generation of a critical mass of development information. This element focuses on the value of information for empowerment through mutual learning.

PVC has supported the creation of strong networks like SEEP. This network of PVOs engaged in microenterprise is also beginning to develop national level networks and affiliates at the regional level, particularly in Asia and West Africa. Through these networks development information can be shared. In addition, such networks can provide information relating to emerging NGO consortia, which are being encouraged by PVC. Progress in this area depends upon success with a lower level objective, namely, the improvement of information on NGO consortia.

Various PVC grant programs, including its Development Education Program, support the expansion of electronic communication systems that link North-South and South-South partners within the PVO community. InterAction's creation of a "Home Page" on the Internet is but one innovation of this sort. PACT and other PVOs and consortia are developing other interactive connections. Networks such as SEEP allow for the dissemination of technical information and best practices, and are encouraged to do so by PVC. The technical support contract for PVC's Child Survival Grant Program has a newsletter that is also productive in this regard. Annual meetings of Child Survival and other grantee clusters also are particularly useful.

IR 4: ***Improved Mobilization of Resources by PVC's PVO Partners***

(1) Rationale and Linkage to PVC's Strategic Objective

In the current environment of shrinking resources within USAID, the PVO community must turn to other means of mobilizing financial and human resources in order to deliver sustainable services. Partnering with other international donors, NGOs, community-based organizations (CBOs), host country governments, and individual beneficiaries is vital to the continuation of sustainable delivery of services. Without continued financial, material and human resources it would be impossible for PVC's PVO partners to achieve sustainable service delivery.

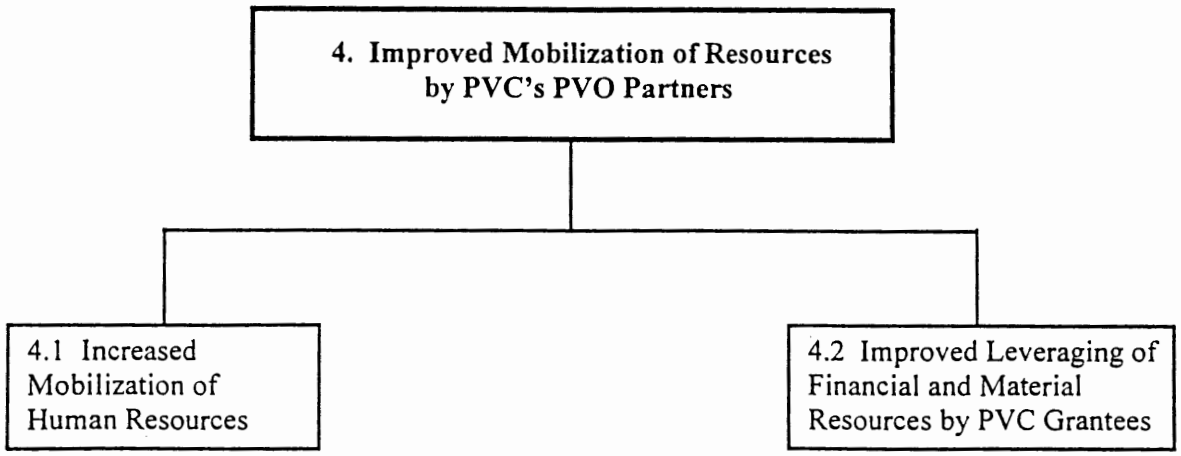
(2) Subordinate Results and Strategy

Through this IR, PVC seeks to help PVOs mobilize financial, material and human resources. Several elements are considered important to the achievement of this objective including:

- An increase in human resources for PVO headquarters and field activities;
- Where appropriate, the sharing of local resources, e.g., facilities, local staff, by two or more PVOs;
- USAID resources, other than those of PVC, identified and accessed by PVOs; and,
- Increased USAID intervention to improve access to other donor resources.

As Figure 5 below indicates, these elements cluster into two sides of PVC's strategy for achieving IR 4. On one side are efforts to help PVOs mobilize human resources (IR 4.1); on the other, financial and material resource mobilization is highlighted (IR 4.2).

Figure 5. PVC's Fourth Intermediate Result



IR 4.1 *Increased Mobilization of Human Resources*

The mobilization of human resources, including paid experts and volunteers, is an important aspect of any long term strategy. Without access to a sufficient number of people with the right skills, PVOs will falter in their efforts to deliver services and expand their partnerships with local NGOs and other entities.

PVC currently supports efforts of PVOs to improve their ability to mobilize human resources through:

- Seminars, workshops, and other training, e.g., PVO Week, Proposal Workshops, and GEM; and

- Structuring future RFAs to encourage collaboration with other institutions and partners, e.g., utilization of technical personnel at all professional levels for development activities on a reduced fee or voluntary basis.

IR 4.2 *Improved Leveraging of Financial and Material Resources by PVOs*

To ensure the expansion and long term survival of their programs in the absence of USAID funding, PVOs must diversify their funding sources. A portion of all grants provided by PVC should be used to leverage funding and to encourage PVC's grantees to increase fund raising activities.

PVC work that currently supports this subordinate result includes:

- Providing assistance to PVOs in identifying non-PVC sources of funding in USAID/W, USAID Missions, host governments and other donors. In the case of CDOs, existing requirements have been expanded to include contributions from their membership.

- Requiring PVOs to provide a 50 percent cash match for Matching Grants; providing OFR subsidies and supplemental free transport of goods and materials under the Denton Amendment; and requiring a 25 percent match in cash or in-kind contributions for other grant programs.

- Requiring, in some PVC programs, that PVOs partner with local NGOs or host country governments. Many projects are partially funded by local NGOs or host country governments as a result of this requirement.

- Requiring, in some PVC programs, that PVOs develop, and document in their initial funding proposals, plans for sustaining projects after PVC funding ends. PVC also encourages the exchange of information between PVOs on sustainability. This encourages and supports PVOs to mobilize resources from sources other than PVC.

IR 5: *U.S. Public Awareness Raised*

IR 5 focuses broadly on public awareness of U.S. foreign assistance and the role that PVOs and NGOs play in delivering important development services. PVC's development education strategy and its relationship to the office's SO are described on the following page.

(1) Rationale and Linkage to PVC's Strategic Objective

PVOs and CDOs are directly linked to the U.S. public. The importance of this linkage is underscored in Congressional intent with regard to the "privateness" criteria for direct funding to PVO and cooperative development grants programs, as well as in such Administration language as that pertaining to the NPI. PVOs and CDOs require direct public support in order to continue providing their services. The U.S. Government's ability to support PVO and CDO projects is also dependent on public support.

Notwithstanding these linkages, foreign assistance does not enjoy significant or widespread commitment from the public nor, at present, from the U.S. Congress. PVC views this relatively low commitment as due to a lack of information, or sometimes to misleading information. The Office's strategy in this area is based on the assumption that, if the public were better informed and educated about the benefits of foreign assistance to developing countries and to the United States, public commitment and support would increase.

PVC also posits that its efforts to raise public awareness should capitalize on PVO and CDO self-interest: these organizations need increased public support and commitment (financial and political), and therefore ought to be predisposed to work more proactively to inform and educate the public -- particularly if they are given more encouragement and assistance from PVC. Members of the public that can systematically be reached by PVC grantees include not only the target audiences addressed by Biden-Pell programs but also the many individuals who make contributions to U.S. PVOs or who, for other reasons, seek or are receptive to information about PVO activities. Thus, IR 5 should be viewed as complementary to both IR 2 "strengthened partnership between USAID and U.S. PVOs" and IR 4 "financial resources mobilized."

PVC is attempting to increase public awareness through educational efforts of grantees in its various programs, not just the Development Education Program. PVC will begin working with all grantees to identify opportunities for public outreach and education related to PVC-funded activities. Lessons learned in these outreach and education efforts should be well documented. During 1995, PVC actively engaged the staff of USAID's Office of Procurement (OP) and its Legislative and Public Affairs Bureau (LPA) to ensure that its RFA language was appropriate both with regard to procurement policies and with broader USAID goals for improving public understanding of foreign assistance. PVC will draw upon this recent experience as it continues to build more understanding by, and cooperation with, other USAID offices regarding outreach and education by PVC-funded PVOs and CDOs.

(2) Subordinate Results and Activities

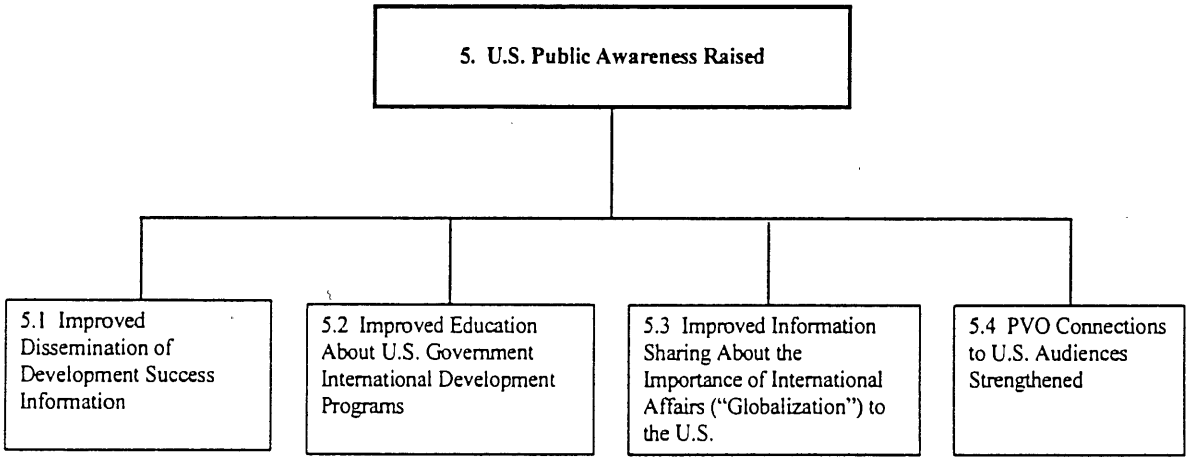
PVC's efforts to raise public awareness of the achievement of sustainable development in developing countries and emerging democracies approach the issue from an educational perspective. USAID cannot, by law, engage in lobbying on behalf of itself or the programs it administers, nor can its grantees. Conceptually, this poses a dilemma. The U.S. public needs to be informed about the foreign assistance program, but not solicited. Recognizing this dilemma, the U.S. Congress has made a distinction between public education and lobbying that is both appropriate and useful. PVC's Biden-Pell Grant Program is a direct illustration and application of this distinction (see Section 5.2 below). In line with these principles, all of PVC's efforts to improve public awareness of the importance of sustainable development overseas apply development education approaches that fulfill the spirit as well as the letter of the law in this area.

With this framework in mind, PVC's strategy for achieving IR 5 relies on four subordinate results, which focus, in turn, on:

- The improved dissemination of information on development successes (IR 5.1);
- Improved public education about U.S. Government and PVO international development programs (IR 5.2);
- Improved information sharing about the importance of international affairs and "globalization" to the U.S. (IR 5.3); and,
- Stronger connections between PVOs and U.S. audiences (IR 5.4).

Figure 6 below illustrates these relationships.

Figure 6. PVC's Fifth Intermediate Result



IR 5.1 *Improved Dissemination of Information on Development Successes*

Public support for development assistance programs will be raised more readily if information on development successes is disseminated. Dissemination, in turn, presumes that USAID has successfully identified and documented these successes, as suggested in Figure 6. PVC efforts to gather and document information on program successes include interactions with other U.S. government entities who play a role in these programs, such as the U.S. Department of Agriculture. Documents that result from efforts to capture USAID's successful experiences are disseminated widely. Recipients include PVOs, USAID Missions, the U.S. Congress, and universities and libraries around the United States. While PVC is prepared to accept the responsibility for ensuring that development successes which emerge from its grant programs are documented and disseminated, other operating units within USAID, including CDIE, also need to carry a portion of this burden.

IR 5.2 ***Improved Education about U.S. Government International Development Programs***

PVC reaches out with information on the grant programs it runs, as well as on other activities in which the Agency is involved, through a variety of methods. As a first step, PVC supports the Agency's legislative and public affairs efforts, and PVC staff accept speaking and media engagements which highlight programs the office administers. In addition, the office reaches out to the public through its grant programs. Biden-Pell Grants are given for the specific purpose of providing public education with respect to international development and the work of the U.S. foreign assistance program. PVC's grant programs also serve an educational function when they make the work of the U.S. foreign assistance program known to U.S. PVOs that are new to international work.

Through its grantees, PVC reaches out to the communities from which these grantees draw their volunteers and resources. PVO and CDO representatives have numerous opportunities to help educate the American public. Farmer-to-Farmer Program volunteers who have returned from overseas assignments are particularly well-suited for this task. In addition, PVC considers ACVFA meetings and Quarterly Reports, as well as the annual VOLAG report the office produces, important mechanisms for educating the public about the international development programs of the U.S. Government.

IR 5.3 ***Improved Information Sharing about the Importance of International Affairs and "Globalization" to the U.S.***

This IR is similar to IR 5.2 in that it deals with public education. Where it differs is in the nature of the message. Under IR 5.2, the messages with which PVC is concerned are largely programmatic -- what do USAID and the PVOs do overseas, how does their work help, and whom does it help. While it is extremely important to ensure that information of this sort is widely available, this information does not address questions about the value of foreign assistance and related international interactions, such as trade, at a general, or policy level. "Globalization", i.e., the increasingly dense networks of communications and trade that link the United States to other countries, is a topic that is much discussed, but not always well understood. This is particularly true for trade. It is important for the U.S. public to know, for example, that as countries develop, their imports from developed countries, including the United States, rise often as much or more than do their exports to these countries. As a result of economic development, U.S. sales to developing countries have risen dramatically over the last 40 years.

Through its grant programs, PVC assists with efforts that are being made not only by USAID, but also by the U.S. Department of Commerce, the U.S. Department of Agriculture and other agencies to bring together information that is pertinent to public discussions and policy making about foreign policy, foreign assistance and about such topics as "globalization." PVC also contributes to such efforts when its staff accepts speaking engagements and when it assists USAID's legislative and public affairs efforts to educate the public and provide the U.S. Congress with pertinent information on the programs USAID administers. Thus, for example, when lessons learned from child survival projects in West Africa are transferred back to poorer sections of major cities in the United States through USAID's "Lessons Without Borders" program, USAID contributes to the process of "globalization" in a positive way.

ACVFA meetings are another way in which PVC plays a role in raising awareness of issues that have policy implications. These meetings, like the annual conferences of PVC grantees, provide opportunities in which topics such as "globalization" can be explored collaboratively by PVOs and USAID staff.

IR 5.4 ***PVO Connections to U.S. Audiences Strengthened***

Direct contact between the American public, PVO staff, Farmer-to-Farmer volunteers and others engaged in programs supported by PVC is strongly encouraged by the office. This kind of "people-to-people" contact mirrors the practices and values these programs promote overseas. PVC also supports contacts through improved publications that flow from PVO and CDO programs as the institutional strengthening aspects of their grants begin to show results. Biden-Pell Grants are a powerful mechanism in this regard, since they reach so many Americans directly with information about the foreign assistance work of the U.S. PVO community.

C. Critical Assumptions

In addition to assumptions that are inherent in PVC's Results Framework and are discussed above for individual IRs, there are a number of critical assumptions that cut across PVC's Results Framework. The first two assumptions focus directly on the operations of the office and on USAID's commitment to greater involvement of the PVO community in USAID's development assistance strategy. These two assumptions have a direct bearing on PVC's ability to achieve its strategic objective.

Assumption: *Even in the face of budget cuts and efforts to streamline Agency operations as part of its reengineering initiative, the need for a central point for PVO support and leadership of efforts that strengthen the USAID-PVO partnership will remain.*

This assumption is fundamental to PVC's strategic plan and to the approaches it takes in efforts that not only will strengthen ties between USAID, the PVO community, and local NGO and other partners of these PVOs, but also will help to integrate the work of these entities with USAID's sustainable development agenda. As a central point for PVO support, PVC offers the Agency important opportunities for realizing management efficiencies when Missions must be closed. PVO and NGO programs that warrant continuation in countries where Missions are closing can, theoretically, be continued under PVC's grant programs. PVC already serves as a resource center on PVO and NGO activities for USAID as a whole, and will continue to do so. It also plays an important role in the eyes of USAID's PVO partners, serving as their gateway for information and in some instances access to other parts of the Agency.

Assumption: *USAID will increasingly utilize PVOs and NGOs to implement its programs. Investments in NGOs will continue to be seen as valuable because their existence and operations help to build the framework for civil society.*

While PVC does not anticipate a reversal of USAID policies which would make this assumption untenable, the Agency's ability to follow through on its commitments to the PVO community requires monitoring, since USAID's actions to fulfill commitments, such as the proclamation made at the Social Summit to program 40 percent of USAID's development assistance resources through PVOs and NGOs, will also be monitored closely by the PVO community itself.

Three other assumptions also affect the ability of PVOs, in collaboration with PVC and USAID Missions, to achieve the sub-goal and goal outlined in the office's Results Framework.

Assumption: *There will continue to be a vital role for U.S. PVOs and CDOs to play as "wholesalers" of technical assistance, training, and financial assistance for local NGOs.*

This assumption focuses on the need for and perceived value of the kinds of assistance that U.S. PVOs can provide. Feedback from NGO partners of U.S. PVOs, host governments, and other donors about the need for and value of U.S. PVO assistance will be useful for monitoring this assumption. Care needs to be taken to ensure that PVO assistance to NGOs and other local organizations results in increased capacity rather than increased dependency. Some level of follow-up research may be necessary.

Assumption: *Host governments and other donors will expand their commitments to working with and through PVOs and NGOs.*

The validity of this assumption is essential for the financial sustainability of PVO programs, since non-U.S. Government and donor resources often serve as the basis for obtaining matching funds from private sources. Grant funds of this sort provide a "seal of approval" that PVOs can use in their efforts to mobilize resources. As PVOs continue to "scale-up" and replicate their programs and their operational approaches, government and donor support remains critical. To test this assumption, PVC will track funding received by PVOs from host country governments and other donors (as listed in the VOLAG report).

Assumption *As PVOs become more experienced, there will be economies and efficiencies of scale within PVOs that will, in turn, yield development benefits.*

In principle the existence of such economies of scale, and the efficiencies they enable, will lead to reductions in the cost of PVO service, on a unit cost basis. This assumption is an important element of the proposition that PVOs and NGOs will reach ever increasing numbers of people with goods and services over time. In practice, such a concept is difficult to measure, because PVOs that focus on building capacity in NGOs rather than the direct delivery of services cannot organize their results and costs in a relevant set of "units." PVC will attempt to test this assumption by periodically reviewing performance monitoring data and evaluation findings to determine whether larger, older PVOs appear to achieve the results they set forth to achieve on a more consistent basis than newer, smaller PVOs.

D. Commitment and Capacity of Partners to Participate in Achieving PVC's Strategic Objective

PVC intends to involve its PVO partners in all of the steps it takes to refine this plan, transform it into an implementation schedule, carry out activities, and monitor performance at the IR and SO level. Core and expanded teams, of the type assembled to help define PVC's Results Framework and related performance indicators, will be maintained, albeit with appropriate adjustments in focus and membership, throughout the period covered by this strategic plan.

Working together, PVC and its partners will assemble, review and interpret the data that PVC will need to prepare its annual Results Report and Resource Request. Where inconsistencies between expectations and actual performance appear, PVC will work with its partners to ascertain why, if possible, or to define terms of reference for a special analysis or evaluation if explanations remain illusive. Together, PVC and its partners will identify modifications in various modes of operation and activities that may be required if the IRs and SO presented in this strategic plan are to be achieved.

In planning its work with U.S. PVOs and their NGO partners, PVC is keenly aware of the fact that both of these groups are the office's customers as well as its partners. Close interaction with these entities operationalizes USAID's reengineering guidance on customer involvement in an unusual way. It also has the potential to be highly productive. The value PVOs attach to the collaborative processes PVC established as this plan was developed was evident in their willingness to invest time and effort in the process.

PVC will work closely with its PVO partners to develop approaches and methods they and their NGO partners can use in collecting information on program performance. Information will be needed from the customers (beneficiaries) to whom PVOs and their NGO partners deliver services concerning their satisfaction with these services.

E. Illustrative Approaches

Programmatic initiatives complement PVC's grant programs in ways that contribute directly to the realization of the five IRs that are needed to achieve PVC's SO. The programmatic initiatives PVC is considering are outlined below. Priorities will be established for these options based on their relative importance and on the availability of the resources needed to undertake them.

Management initiatives are the internal steps PVC must undertake to support this results-oriented program.

1. Programmatic Initiatives

To facilitate the achievement of the five IRs that serve as the building blocks for PVC's effort to achieve its SO, PVC will both expand upon ongoing efforts and undertake new program activities.

a. Initiatives for Achieving IR 1: *Operational and Technical Capacity of PVC Grantees Improved*

(1) The Context for New Actions that Support IR 1

PVC already uses many effective means to improve the operational and technical capacity of its PVO partners, as described above. PVC's multiple grants programs include direct funding for hiring and strengthening PVO staff and for upgrading PVO planning and administrative systems. PVC provides technical assistance and training through contracts such as the Child Survival technical support contract. PVC has also supported the development of professional PVO networks such as SEEP, and has launched innovative new PVO capacity building initiatives such as GEM and SDS.

(2) New and Expanded Activities

During the 5 year strategy period, PVC plans to build upon and expand these successful approaches and undertake new initiatives to strengthen the capacity of its PVO partners. Illustrative new approaches include:

- **Increased emphasis on two key program initiatives -- the GEM and SDS programs** -- which are designed to bring about specific measurable improvements in PVO strategic planning capacity and to build PVO technical capacity to incorporate sustainable development approaches and cost recovery methodologies into their programs. PVC will look for opportunities to expand these two highly popular and successful programs which work with local NGOs as well as U. S. PVOs. PVC plans to document and disseminate successful results from these programs. Accordingly, the office is considering increasing their scope and funding so that increased numbers of PVOs and NGOs can benefit.

- **Strengthening the existing Child Survival technical support contract and creating a new technical assistance and training support program to provide individualized TA and training to newer, weaker PVOs.** PVC will finalize a review and assessment of the current technical support contract to identify how it can improve on the TA and training it currently provides, maximizing its comparative advantages. Resources permitting, PVC will also design a new multi-purpose support program that can provide basic "hands on" TA and training to newer, weaker PVOs. Assistance to newer PVOs will help them develop the capability to become effective development partners. In this same vein, it is possible that an expanded program of this nature could have the capability to organize training programs in areas of vital interest to the PVO community. This will help PVC meet the need to reach out to new partners and to respond to TA and training needs that cannot be currently met with PVC's limited in-house staff.

- **Improved coordination and utilization of existing technical support programs in other Bureaus.** There are a variety of technical support programs managed by the Global Bureau Centers and by Regional Bureaus that could potentially assist with efforts to enhance the technical capacity of PVOs and provide support for PVO programs. One example is the Office of Health's BASICS with which PVC's Child Survival Grant Program already coordinates. To expand this type of coordination, PVC will inventory the central projects of potential utility to PVOs and assist with dissemination of information on these programs in the PVO community. PVC will also work to expand its direct collaboration with appropriate central support programs. The office will consider "buy-ins" to these programs on a selective basis.

- **Strengthening PVO Professional Networks Such as SEEP.** PVC will look for opportunities to help strengthen PVO professional networks in key sectors, such as microenterprise, where programs like SEEP stimulate innovation, information sharing, mutual strengthening and adoption of best practices. PVC will help these networks to establish linkages with other parts of USAID and other members of the donor community. In many sectors PVOs now have considerable expertise and can effectively use professional networks as a means of learning from one another.

- **Promoting partnering and "mentoring" through PVC's PVO and CDO grant programs.** Through its grant programs, PVC will encourage partnering of PVOs and CDOs with complementary capabilities to promote increased effectiveness and mutual learning and capacity building. This process has already begun through joint PVO programs such as the Freedom from Hunger/World Relief Corporation (FFH/WRC) Matching Grant evaluation and the Timisoara project in Romania where four CDOs are collaborating. PVC will also introduce the concept of "mentoring" into its grants programs to encourage strong PVOs and CDOs to reach out to other PVOs and CDOs that have high potential but are newer to international development and to USAID. This idea is being considered for the next RFA cycle for the CDO program. It will be an important vehicle for improved PVC outreach to new partners in the development field.

- **Strengthening PVO evaluation and impact assessment capability through grant support, workshops, and technical assistance.** PVC will accelerate its already considerable efforts to strengthen the evaluation and impact assessment capabilities and systems of the PVOs. It will pursue this through guidance in the RFAs; grants that fund the strengthening of PVO information systems and the hiring of qualified evaluation personnel; through PVC's annual workshops for the different grant programs; through support for impact assessment and documentation in PVO networks like SEEP; and through specialized workshops organized for this purpose with resource groups such as CDIE. As PVC focuses increasingly on the development of information systems to track progress with regard to the performance indicators in its strategic plan it will work closely with PVOs to involve them in the establishment of results tracking systems in their own organizations.

b. Initiatives for Achieving IR 2: *Strengthened Partnership Between USAID and U.S. PVOs*

(1) The Context for New Actions that Support IR 2

As previously described, PVC has already established many effective mechanisms and ongoing activities for maintaining and strengthening the USAID/PVO partnership. Institutionally, ACVFA and its subcommittees, including the USAID/PVO partnership subcommittee, provide excellent fora for joint consultation and PVO input into USAID policy issues and procedures. Efforts that drew upon these resources have already resulted in the new USAID/PVO partnership Policy Paper that provides an excellent policy framework for the partnership; NPI, which establishes a new program framework for USAID/PVO/NGO partnerships; and ongoing work on reengineering and new procurement policies that affect PVOs.

(2) New and Expanded Activities

Progress has been made and mechanisms established with respect to the policy framework for the partnership (IR 2.1) and dialogue between USAID and the PVOs at the Washington level. During the strategy period, PVC will continue to build on this progress and give added attention to strengthening the USAID/PVO dialogue at the mission level (IR 2.2). Better information sharing about PVO strengths and comparative advantages (IR 2.3) will also be pursued. In this vein, PVC's proposed new approaches include:

- **Development of new models of USAID/PVO collaboration.** With the dramatic changes underway in USAID, it is clear that the Agency will have to rely more heavily on PVO partners in the future. New models of collaboration will have to be developed, particularly for countries where USAID will no longer have a presence. PVC will play a leadership role in identifying and building on successful, innovative models that have been utilized in the past. It will also work with the rest of the Agency and the PVO community on development of new models for maintaining development programs through PVOs and NGOs in countries with limited or no USAID staff presence.

- **Strengthening PVO and USAID Mission collaboration in strategic planning, and program design, implementation and evaluation.** The principles of increased collaboration and dialogue between PVOs and Missions have been elaborated in USAID's new PVO Policy Paper, and in the Agency's core values and reengineering directives. PVC will encourage implementation of these principles through its working contacts with the Missions and the PVOs. It will monitor progress in this area by tracking the frequency with which mission strategic plans cite substantive collaboration with the PVOs in preparation of strategic plans.

- **Increased coordination and complementarity between PVC-funded PVO programs and USAID Mission strategic objectives and programs.** PVC will accelerate its efforts to ensure that there is close coordination and consultation between PVOs and Missions in the development of PVO projects for PVC funding. PVC also plans a series of steps to improve coordination between mission and centrally-funded PVO activities by improving PVC's information sharing with Missions about the programs it funds. While continuing to work with Missions around the world, PVC plans to identify a select number of Missions for special attention, including joint planning and more frequent TDYs. LEMs involved in NPI will be included among those receiving special attention from PVC during the period covered by this strategic plan.

- **Broader PVC collaboration with other USAID Offices and Bureaus in RFA design and proposal reviews.** Building on recent efforts to involve other offices and bureaus in PVC's grant programs, PVC plans to improve Agency awareness of PVO programs and their strengths and comparative advantages through joint efforts to design the next cycle of RFAs. Opportunities to assist other bureaus in their efforts to develop RFAs and review bids on proposals will also be used to strengthen this collaboration.

- **Expanded PVO involvement in PVC program planning and initiatives, e.g., through participation on IR teams.** Although PVC already gets high marks from the PVO community on its openness, transparency, and "customer focus," PVC plans to take further steps to "enhance the USAID PVO dialogue" (IR2.2) and enrich its programs by involving interested PVOs as members of "expanded IR teams." These teams will continue to help shape PVC's new directions. PVC will also encourage PVO participation on similar teams in the Missions and in other fora where interaction is encouraged.

- **Increased focus on the documentation and dissemination of successful PVO approaches and lessons learned through cross cutting evaluations and case studies.** PVC plans to initiate several new efforts to identify and document success stories and lessons learned, including partnering with CDIE on relevant studies and other evaluative activities; drawing on the research and evaluation components of projects like BASICS, making use of consultants under the office's program support contract to focus on some key "issue oriented" or sectoral evaluations; and carrying out case studies that will permit the identification and documentation of successes and lessons from its grant programs. PVC will fund networks like SEEP and SDS to carry out such studies and to disseminate their findings though workshops and publications.

- **Improved use of Annual RFA and other grants workshops for USAID/PVO sharing of lessons learned and successful approaches.** RFA workshops provide an unusually good opportunity for the exchange of information, including information on lessons learned and successful approaches. RFA workshops run by PVC promote an open and transparent dialogue about USAID's expectations. In planning future RFA cycles, PVC intends to take advantage of these opportunities to build even stronger learning components and more interactive elements into these sessions.

- **Expanded participation of PVO representatives on interbureau working groups on nutrition, food security, agriculture, education, the Greater Horn of Africa, etc., for input into program and policy direction and the sharing of PVO technical expertise and experience.** PVC will continue to promote the inclusion of PVO and CDO representatives on topical working groups and in other fora where this community can bring its experience to bear on USAID's policy making and program development functions.

c. Initiatives for Achieving IR 3: *Strengthened Partnership between U.S. PVOs and Local NGOs*

(1) The Context for New Actions that Support IR 3

Historically, PVC's major focus and experience has been with U.S. PVOs and CDOs. Its effort to reach out and strengthen the partnership between these organizations and local NGOs is a relatively recent development that is viewed as increasingly important, particularly with the advent of NPI. As noted above, PVC has several useful mechanisms and approaches in place that it can build upon to strengthen PVO/NGO partnerships during the strategy period. PVC provides extensive funding support through its grant programs to U.S. PVOs and CDOs to provide training and technical support to help strengthen and "empower" their local NGO partners and affiliates. These efforts will be expanded in the years ahead. In addition, PVC has

recently developed innovative new mechanisms, such as the GEM and SDS programs, which not only encourage PVO/NGO collaboration, but also provide for limited direct TA and training for local NGOs. With an eye to strengthening PVO/NGO partnerships, PVC has recently begun to require, in some of its grant RFAs, that PVOs "partner" with local NGOs for program implementation. This trend will be accelerated in future RFA cycles. PVC also has prior experience and some mechanisms in place for creating and strengthening PVO/NGO associations and networks, e.g., its creation of the SEEP network, the Sectoral Alliance activities of GEM and its work with PVOs like PACT.

Nevertheless, this area remains a frontier for PVC. The office will have to build on its current mechanisms and approaches as well as develop new ones if it is to be fully successful in achieving this IR and in meeting the demands of NPI, which implies that PVC will serve as a resource center on NGO empowerment, providing guidance and support to the USAID Missions, and working with the PVO community in this area.

(2) New and Expanded Activities

- **Increased emphasis on formal PVO/local NGO partnerships in PVC's grant programs and better delineation of expected partnership outcomes.** PVC will increase its emphasis on formal partnerships between U.S. PVOs and local NGOs in its RFAs. This practice will be expanded to include virtually all of PVC's grant programs. PVC's guidance on partnering, and what is expected of the partnership relationship in terms of operational parameters and local NGO strengthening is currently quite general, in recognition of the fact that this is a new area. PVC plans to refine and improve the guidance for this element of its grant programs as it acquires more experience and expertise. Such efforts contribute directly to IR 3.2.

- **Identification and documentation of different models and strategies for PVO/local NGO partnerships.** In order to provide more effective guidance and support for PVO/NGO partnerships, PVC plans to work closely with the PVO community to identify and document different models for PVO/NGO collaboration, and to identify and share best practices and lessons learned. This will include analysis of specific issues such as the relative merits of different approaches to technical assistance and training for local capacity building, and different approaches to fostering local sustainability through the partnership relationship. This activity contributes directly to IR 3.2.

- **Increased funding support for technical assistance and training for local NGO strengthening through PVC's grants to PVOs.** As PVC places increased emphasis on PVO/NGO partnerships in its grant programs, an increasingly important grant program element will be funding support for appropriate TA and training to build the capacity of local NGO partners.

In addition to these activities, which directly support IR 3, PVC will support the NPI through several activities that focus on local NGOs directly, rather than through their relationships with U.S. PVOs. The NPI-related activities include:

- **Development and expansion of programs like GEM and SDS that can provide capacity building assistance directly to NGOs, and strengthen local and global PVO/NGO networks.** PVC's primary focus will remain on funding and capacity building support for U. S. PVOs, but over the next five years PVC will also work on expanding its capability to provide TA and training directly to local NGOs. At present, the GEM project provides assistance in organizational development directly to a limited number of individual NGOs, and is beginning to provide assistance to national and regional NGO networks. This element will be expanded in the GEM follow-on project scheduled to begin in FY 97. Wherever possible PVC will also provide funding and training assistance to global PVO/NGO networks, such as SEEP which is now developing affiliate networks in different regions of the world.

- **Streamlined local PVO registration process to facilitate mission support of local NGOs.** PVC is now finalizing a major project to streamline the process it manages for the registration of local PVOs (LPVOs). Since PVC registration of LPVOs is required before Missions can provide them with grant funding, PVC is making a concerted effort to streamline and accelerate this process. It is also studying the possibility of increased delegation of local registration responsibilities to larger Missions with good staff capability and experience in working with LPVOs.

- **Become an effective leader within the Agency on NGO empowerment, and provide support to the NPI learning team and LEMS on NGO empowerment issues.** PVC plans to play a leadership role for the Agency and NPI in the area of NGO empowerment. PVC is uniquely positioned to play this role and will work to develop the expertise and resources required to provide effective support to the NPI learning team and LEMs in the area of NGO empowerment. PVC will also play an active role in encouraging PVO participation in NPI, and ensuring that best practices and lessons learned growing out of NPI are shared broadly with the PVO community. This element directly supports IR 3.1.

- **Provide increased technical assistance, training and information support to selected LEMs on NGO empowerment.** PVC plans to facilitate information, technical assistance, and training in the area of NGO empowerment in response to requests for support in this area. In doing so, PVC will work in close coordination with the rest of the NPI learning team. PVC will share pertinent resource materials on NGO empowerment with all LEMs. It also plans to work actively with a few of the LEMs to provide them with TA/training support in key areas such as strengthening the enabling environment for local NGOs. PVC will provide a limited amount of direct support through TDYs of PVC staff. It will also "partner" with capable PVOs in this area and develop mechanisms to access in-house as well as external consultants to provide this support.

- **Establish an NGO empowerment resource network, in coordination with other donors, e.g., the International Bank for Reconstruction and Development, and expand as an information resource center on "state of the art" materials on NGO empowerment.** PVC will work with the NPI learning team, the PVOs, and other donor agencies to identify those individuals and organizations with expertise in key areas related to NGO empowerment, ranging from broad assessments of the enabling environment, to specific issues such as host country registration of NGOs and NGO codes of conduct. PVC will establish a database, or link into an existing one, that can be utilized to respond to requests for assistance, and it will look for opportunities to bring members of the network together to share information on specific issues, best practices and lessons learned. As part of this effort, PVC will collect appropriate publications and other resource materials that can be useful to Missions and PVOs working on NGO empowerment issues.

- **Encourage innovative PVO/NGO programs in LEMs.** Through some of its current competitive grants, PVC plans to give increased priority to funding appropriate PVO/NGO programs in LEMs. While PVC does not have additional funds for this purpose, it has already begun to give increased priority to innovative programs in the LEMs. This effort will receive more explicit emphasis in future RFA cycles for some of the grant programs managed by the office. PVC will also take a proactive role in working with the PVO community to promote their active engagement in the LEMs.

d. Initiatives for Achieving IR 4: *Improved Mobilization of Resources by PVC's PVO Partners*

(1) The Context for New Actions that Support IR 4

PVC has given considerable attention to the issue of human and financial resource mobilization in recent years. It promotes and supports PVO mobilization of resources in a number of ways. For example, the private match is a long-standing feature of most PVC programs, and plans for ensuring the financial sustainability of PVO programs after the end of grant funding are an increasingly important requirement in RFA guidance. In addition, PVC has given considerable attention and technical support to issues of resource mobilization through its grant programs. PVC has also encouraged resource mobilization and sustainability for PVO programs through partnerships between PVOs and local governments and other donors. PVC continues to play an extremely valuable informal role, through consultations, in linking together PVOs with complementary human and financial resources, and, in turn, linking these partners with other spigots of USAID funding and with other donors.

(2) New and Expanded Activities

While PVO resource mobilization has received considerable PVC interest and support in the past, it is an area which urgently calls for increased attention, given the shrinking resource base for international development programs. PVC plans to tackle this issue in a focused and systematic way during the strategic plan period. New approaches include PVC efforts to:

- **Develop and expand the SDS Program, which assists the PVOs to develop new strategies for resource mobilization and to document and disseminate successful approaches in this area.** PVC plans to follow the SDS program closely and evaluate it at an early opportunity. When the current phase comes to an end PVC will look for opportunities to expand the program and to facilitate technical assistance and information sharing to a larger number of PVOs and NGOs.

- **Make the cost-sharing requirement increasingly important, and expand it to cover all PVC grant programs.** PVC will continue its efforts to increase the cost-sharing requirement in its programs. To this end, the office introduced a 50 percent cost-sharing requirement in the Development Education Program this year. PVC will encourage the expansion of cost-sharing to the Cooperative Development grants, and to other programs. This emphasis will not only stretch PVC's resources further, but will encourage the PVOs and CDOs to give more attention to this issue and require that they identify contributors when they attempt to raise funds to leverage increased USAID resources.

- **Promote the development and documentation of successful models of PVO/private business collaboration and PVO/host country government collaboration for resource sharing and mobilization.** PVC will give considerable attention to this area through its participation in NPI, which focuses heavily on the linkages among PVOs, private business and government. PVC will work with the LEMs and the NPI learning team to support new kinds of linkages and document successful approaches. PVC already has a number of success stories in both these areas in its current portfolio and will undertake an effort to document and disseminate them for the PVO community. For example, in one case, in Bolivia, a PVO is being provided with funding support by municipal governments to help implement PVC-supported child survival projects. PVC will identify and encourage these experiments. The office will also encourage these resource sharing partnerships through the RFAs for its grants programs.

- **Develop a system for more effective and regular information sharing with PVOs about USAID resources available for PVO funding and technical support.** PVC currently contributes to effective PVO access to USAID resources in a variety of ways through its multiple consultations and other contacts with PVO grantees. To date, much of this work has been done on an "ad hoc" basis. Moving forward, PVC will explore the feasibility of developing a database in this area, perhaps to be incorporated on a PVC site on the World Wide Web, and ensuring that it can be regularly accessed by the PVOs. PVC will also expand its RFA workshops, and other PVC sponsored conferences, to create more opportunities to share information with the PVOs about USAID programs that incorporate promising funding or technical support opportunities.

- **Facilitate PVO access to information about financial resources available from other donors.** In order to improve access of PVOs to non-U. S. government funding sources, PVC will encourage special interest groups such as InterAction to support a database of multilateral and bilateral donors which currently (or could potentially) fund PVOs to implement the same types of programs that PVC funds. PVC will also develop a strategy for effective dissemination of this type of information to the PVO community. As part of this

effort, PVC will develop a collection of resource materials on the relevant grant programs and activities of other donors. PVC will also develop a system to assist the PVOs to network directly with the PVO/NGO coordinators in other donor agencies. PVC will facilitate PVO contacts with other donor representatives through specific workshops, and events like the quarterly ACVFA meetings, where invited representatives of other donors can be asked about their PVO programs.

- **Strengthen PVC development of new and more appropriate PVO funding mechanisms.** Because of PVC's long and rich experience in working with PVOs, and its extensive knowledge of the many PVO grant and other support mechanisms developed by USAID, it can and should play an extremely positive and creative role in this arena. This applies not only to multilateral donors such as the World Bank, UN Agencies and regional institutions such as the InterAmerican Development Bank, but also to other bilateral government aid programs, such as the Japanese Foreign Aid program, which could provide valuable resources to U.S. PVOs and their NGO partners. In order to encourage such developments, PVC will seek more direct contact and opportunities for information exchange with the PVO/NGO coordinators in other donor agencies. This will be done in coordination with USAID's Office of Development Partners.

- **Foster information sharing about resource mobilization within the PVO community.** Most PVOs have resource mobilization experiences that could, if shared, help to develop the overall fund raising capacity of other organizations. To this end, PVC will make an effort to share pertinent information of which it is aware with its PVC grantees. Research carried out under the Childreach program offers one such example. Through this program, a systematic effort was made to measure the effect of development education on resource mobilization. Evidence which indicates a positive relationship between development education and subsequent contributions by the development education program's audience strongly suggests that development education. rather than being simply a cost to a PVO, actually helps PVOs increase their resource base.

e. Initiatives for Achieving IR 5: *U.S. Public Awareness Raised*

(1) The Context for New Actions that Support IR 5

PVC will build on its considerable ongoing activities in public outreach, development education, and information dissemination about USAID program activities to achieve IR 5. As noted above, one of PVC's most powerful ongoing activities in this area is the Biden-Pell Development Education Program. PVC will work to expand this program and to strengthen its implementation strategy.

As an important part of its mandate and registration responsibilities, PVC produces and disseminates valuable information on USAID's work with the PVO community through the VOLAG report and other publications that are distributed broadly to the public. PVC's outreach efforts can also be enhanced through PVC sponsorship of a number of valuable conferences, meetings and workshops, including the ACVFA quarterly meetings; an annual Development Education Conference; and annual RFA workshops, which already serve as important vehicles for public outreach and education and can be utilized even more effectively for this purpose in the future.

PVC has also initiated valuable collaboration that can be expanded with the Bureau for Legislative and Public Affairs (LPA) for the Development Education Program, and the Agency's "Lessons Without Borders" program. Most important of all, PVC has a strong natural base for outreach and education to the U.S. public through its PVO and CDO grantees which have tens of millions of members and contributors throughout the U.S. In sum, PVC is extremely well positioned to contribute to a heightening of public awareness of the importance of sustainable development overseas and the role that USAID and the U.S. PVOs play in achieving that goal. A number of key mechanisms are already in place which the office will strengthen and expand during the strategy period. PVC also plans to develop new approaches and mechanisms as outlined below.

(2) New and Expanded Activities

- **Strengthening and Expansion of the Development Education Program, capitalizing on innovative approaches and lessons learned.** Through its Development Education Program, PVC has established itself as a leader in this field, working closely with the PVOs and other agencies interested in development education to continually develop innovative new approaches. In FY 1996, despite deep cuts in the program, PVC is moving forward to sustain the most effective components of ongoing development education programs; to maximize the impact of its scarce resources by introducing a 50 percent private match; to require PVOs to partner with large domestic organizations to maximize outreach; to place increased emphasis on carefully targeted messages and strategies; and to measure results. The Development Education Program is very important to the achievement of all four of the sub IR objectives under IR 5, and PVC will work with the Agency and the Congress this year to convince them of the need to continue this invaluable program on an expanded basis. PVC will continue to build on its lessons learned and to promote innovation in this program throughout the five-year strategy period.

- **Making Development Education an integral element of all PVO programs funded by PVC.** The PVOs and CDOs with grant programs funded by PVC have members and contributors numbering in the tens of millions, as noted above, and PVC's extensive current grant portfolio is largely untapped as a vehicle for PVO outreach and education to their constituents. PVC has experimented with some interesting approaches in this regard, such as the use of Farmer-to-Farmer volunteers to share experiences and educate their community members upon returning from their overseas assignments. PVC plans to try to incorporate a public outreach element in all grant programs, and will coordinate with the Office of Procurement (OP) to see how this can best be accomplished. PVC's most recently issued RFA, for the Farmer-to-Farmer Program, includes an outreach component, which is one of the criteria on which proposals will be judged. Clearly this element will contribute directly to sub IRs 5.1, 5.3 and 5.4, and it is in the best interest of PVC and the PVOs to do so. PVC and the PVO community should be able to draw heavily on the practices developed and lessons learned from the Development Education Program for this component.

- **Improved integration of Development Education messages into PVO resource mobilization activities.** This element is linked to both of the approaches cited above (and to IR 4), but is important enough for separate discussion. PVC will work with PVOs, particularly the "child sponsorship"

PVOs, to help them learn how to use a "development education" approach, using good development messages instead of pure reliance on humanitarian appeal. As Childreach has demonstrated, such efforts can be highly effective in mobilizing public resource support for their programs. This approach will also contribute to the achievement of the objectives of IR 4 focused on resource mobilization. PVC will coordinate closely with OP to ensure that this is handled correctly.

- **More effective utilization of the excellent publications produced by PVC, such as VOLAG, as an information dissemination and outreach tool to USAID and the public.** PVC's publications, such as VOLAG, provide a wealth of information about the PVOs registered with USAID and about USAID/PVO collaboration. They are widely appreciated. Yet there is still high, but untapped potential for reports like VOLAG to become an even more powerful tool, if they are modified to disseminate information about USAID/PVO development "success stories." In future years, PVC will give increased attention to developing a key theme or themes around VOLAG and accompanying it with a compendium of "project success stories." The combination of the broad data normally included in VOLAG and specific, illustrative accounts of PVO activities should enhance this report's impact. PVC will give greater attention to a well publicized "launch" of VOLAG and target dissemination to the media and other "information multipliers." PVC will also revise and update other key office publications such as the USAID/PVO Partnership brochure that describes PVC's grant programs and services.

- **Improved packaging and dissemination of evaluations, special reports, and case studies.** In addition to its perennial "flagship" publications such as VOLAG and the PVO Partnership brochure, PVC's different divisions generate a wealth of evaluations, conference reports, and studies which are disseminated in an *ad hoc* fashion to interested parties in USAID and the PVO community. As part of its strategy, (IR's 1 and 2) PVC also plans to give major new emphasis to cross cutting evaluations; documentation of success stories; and special studies of key issues, that will have considerable potential interest to the media and the public. PVC plans to develop a strategy for broader and more systematic dissemination of these materials to relevant target audiences, and will coordinate with LPA to ensure this result. This will contribute directly to sub IRs 5.1 and 5.2.

- **Maximize the use of key fora such as the Annual RFA workshop, Annual Development Education conference and ACVFA Quarterly Meetings to promote increased development education and public outreach.** PVC will continue to look for creative ways build on its highly successful efforts to utilize ACVFA meetings and the annual Development Education conference as effective vehicles for outreach and education, and to highlight the importance of active PVO involvement in this area. PVC will also look for new opportunities to utilize widely attended events such as the annual RFA workshop to address outreach and the need for PVO public information and outreach activities. The office may add a special session on Development Education at the next RFA workshop in September 1996.

- **Forge a closer partnership with LPA for more effective collaboration on Development Education and "Lessons Without Borders," public speaking opportunities, and information dissemination and outreach to the public on USAID-supported PVO programs.** PVC plans to expand the collaboration it has already initiated with LPA in a variety of areas. PVC will develop a strategy for educating LPA about PVOs and USAID's support of PVO activities, and it will share information with LPA on PVO programs in a way that is useful to them. PVC and LPA coordinate on information dissemination and outreach strategies. PVC will expand collaboration and information sharing with LPA about its Development Education Program. It will invite LPA staff to participate in proposal reviews and other events. PVC is also prepared to increase its participation in USAID's "Lessons Without Borders" program. PVC will also collaborate more closely with LPA on its "Speakers Bureau Program" with respect to events and topics related to the USAID/PVO partnership. PVC will prepare "fact sheets" on its work with the PVOs for speakers kits, as necessary. It will assist LPA with identification of appropriate speakers for events related to USAID's work with the PVO community. In order to develop more effective communication with the public affairs side of LPA, PVC will encourage a more structured approach, either through the designation of liaison officers or periodic meetings.

- **New and improved means for the public to gain access to information about PVC's programs and the PVO programs supported by USAID, including a PVC "Home Page" on the Internet and an expanded PVC information base on PVO programs.** The Internet provides information technology that PVC should utilize if at all possible. PVC could either establish its own Home Page, or have a page linked to USAID's well regarded Home Page. It would provide ready access to information on PVC's programs, RFAs, VOLAG, success stories, etc., that PVOs and the public could use for their own needs or for broader dissemination and outreach in order to raise public awareness. To maximize PVC's utility as a contact point and information resource on PVO activities, PVC plans to develop, to the extent resources permit, an expanded and better organized information base on PVOs and their USAID-funded projects. For example, one effort that is already advanced is a report identifying all PVC-funded PVO activities by country.

- **Improved coordination and "leveraging" of other donors and development associations to educate the American public about international development.** PVC plans to take much better advantage of the events and publications of other donors and associations, including World Bank, InterAction, and Society for International Development (SID). These and other organizations have conferences and informal gatherings, newsletters and other publications that serve as excellent outreach mechanisms for disseminating information about USAID-funded PVO programs and success stories, and for placing speakers. This approach dovetails well with the strategy for expanded outreach to other donors articulated under IR 4.

In addition to these externally directed efforts, PVC intends to foster activities within USAID that will improve awareness and understanding of this program and its relationship to other Agency initiatives. Increasing the number of "brown bag" lunches through which recent field experiences and research can be shared informally with regional bureau, PPC and other BHR staff is one option for moving in this direction.

2. Managerial Initiatives

The internal steps PVC will take to support the achievement of its IRs and SO include efforts that cut across normal division lines to strengthen the office's overall capacity as well as its ability to focus on IRs that depend upon coordinated efforts across the full range of PVC programs. The IR teams PVC established to develop this strategic plan will continue to play an important role as the office moves to implement this plan. Their role and membership will be expanded to ensure the full participation of the PVO community in this effort. In addition, PVC will experiment with internal mechanisms for improving its coordination with regional bureaus and with USAID Missions, and for ensuring that PVOs that have more than one PVC grant manage them a synergistic way. Over the planning period, PVC will continue to expand its role as a Center of Excellence on PVO and NGO programs. In support of these efforts, PVC may create a central unit that focuses on analyses that cut across PVC's programs, including the monitoring of program performance results. In addition to expanding its performance monitoring capacity, the office intends to undertake a number of cross-cutting evaluations that will help it to identify opportunities and issues that warrant attention as it moves forward with the program of action it has outlined in this plan.

F. Sustainability

Sustainability is an important objective in PVC's Results Framework. U.S. PVOs and their local NGO partners are expected to focus their efforts on the establishment of service programs which are sustainable over the long term, without continuous USAID support. To this end, PVC encourages its U.S. PVO partners to develop strategies and begin to demonstrate how they are increasing the non-USAID share of resources that support their programs and those of their local NGO partners.

To support increasingly sustainable programs at the level of individual PVOs and CDOs, PVC is placing an increasing emphasis on sustainability in its RFAs, particularly in the criteria it uses to review applications. PVC's Child Survival Grant Program recently established a policy limiting country-level programs to two funding cycles. In addition, PVC's Matching Grant Program established a Sustainable Development Services (SDS) network to help its partners address sustainability challenges. As the network grows, PVOs and CDOs that have made progress in their efforts to achieve organizational financial sustainability and build sustainability into their field programs will begin to analyze and share best practices. Their experiences will help to teach those PVOs, CDOs and partner NGOs that are still struggling with these issues.

The partnerships that U.S. PVOs are establishing with local NGOs are themselves central to the sustainability of many PVO programs. Local partnerships extend the reach of U.S. PVOs while at the same time redefining their relationship to the development and humanitarian assistance process. By becoming mentors, PVOs step away from the direct provision of services. Partnerships with local NGOs will afford them opportunities to move into new regions within countries, as well as into new sectors.

G. How the Achievement of Strategic Objectives Will Be Judged

This section outlines the main performance indicators PVC is considering for monitoring its progress and judging its performance under this strategic plan. All of the performance indicators discussed in this section are tentative. Each must be further examined to determine not only whether it is feasible, but also what the cost and frequency of data collection would be.

With this caveat in mind, performance indicators are presented in this section at the level of the SO, as well as for PVC's sub-goal and each IR outlined in PVC's Results Framework. While achievement and performance measurement at the goal level is not solely the responsibility of PVC, the office has identified some indicators at this level that it will look to USAID Missions and PVOs to monitor.

1. Performance Indicators at the Goal and Sub-Goal Level

At the goal level, PVC anticipates that it will be able to use data collected by other USAID units to determine whether changes are occurring as a result of improvements in, or simply more extensive, service delivery by PVOs and NGOs. For example, PVC would be interested in whatever data USAID or other international sources can make available about changes in infant and child mortality rates.

At the sub-goal level, it is important for PVC to have a few measures of performance that are independent of the actions the office supports to strengthen NGO partners of U.S. PVOs. The provision of assistance in this area is not sufficient proof that changes have actually occurred in local NGOs. For this reason, PVC has identified several indicators that might offer independent evidence of improved capacity in local NGOs. It is the office's intention to discuss these indicators further with its PVO partners and perhaps with several LEMs as well. Candidate indicators for further discussion at this level include:

- The number of NGOs that are registered as LPVOs with USAID (as a proxy for improved administrative and organizational capacity within local NGOs); The percentage of USAID assisted countries where one or more formal associations of NGOs have come into existence (as a proxy indicator for an improved ability to communicate among themselves and share best practices);

- The percentage of LEM countries that have policies that encourage decentralization, participatory development approaches, and/or the development of local NGOs; and

- The number of local NGOs that continue or expand their operations after assistance from a PVC grantee ends.

2. Performance Indicators at the Strategic Objective Level

Performance measures at the strategic objective level are essential for demonstrating that the end result of all of the activities that lead to and through intermediate results are achieved. Intermediate results are necessary to achieve a strategic objective, but their existence, and the indicators thereof, do not prove that a strategic objective has been achieved. Indicators at the level of the strategic objective must be independent measures of accomplishment. In selecting performance indicators at the strategic objective level, PVC has also sought to measure the different dimensions of this objective statement, i.e., PVO capacity, service delivery, and sustainability.

Two capacity measures are included at this level:

- Change in the average score of PVC-supported PVOs on a PVC-developed organizational capacity "self-assessment" instrument; and

- Change in the number of members of formal networks or associations of voluntary organizations.[3]

The first of these is a rating system that allows PVOs to score themselves as they improve along several capacity dimensions that are defined by the instrument PVC has developed. In addition, it is PVC's sense that PVO capacity grows as organizations learn from each other. A proxy measure of such learning, i.e., the involvement of PVOs in associations, was selected to capture this dimension of capacity expansion.

Service delivery measures are being examined by PVC and will be finalized in consultation with PVC's PVO partners. The following examples are illustrative. They are intended to measure service results which must be observable if sectoral improvements of the kind discussed at the goal level are to occur.

- Changes in extent and quality of service delivery in key sectors in which USAID has invested through PVOs, e.g.,

  -- change in percentage of children immunized, using standard Agency definitions and approaches; and

  -- change in volume of credit provided to microenterprises, or change in the number or percentage of microenterprises that receive credit.

PVC's selection of immunization and credit as initial measures of service delivery reflects not only the high proportion of its grants that support programs in these areas but also the quality of the measurement procedures used in these areas. The fact that data are already being collected on these indicators by other operating units in the Agency is important for PVC, since the office will not engage in primary data collection at this level of its Results Framework.

Sustainability indicators are those which would lead PVC to believe that services initiated by PVOs and their NGO partners will continue PVC funding has ended. Two indicators have been selected in this regard:

- Percentage of PVC-supported PVO programs that are still providing services two years after PVC's support for these programs ends. At minimum, programs must sustain at least 50 percent of the service or coverage level achieved during the period of PVC support. For purpose of this measure, service delivery may be provided by a U.S. PVO or through its local partner;

- The percentage of PVO programs in which there is cost-recovery or cost-sharing at a level that is sufficient to indicate that local commitment or "ownership" exists.

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[3] Some associations of PVOs have membership dues that inhibit participation by some members of the PVO community. This indicator is not intended to generate pressures that would compel PVOs to join organizations that charge fees.

Measures of the sustainability of programs are always difficult, since most are applic. only after USAID's involvement has ceased. Technically, this is the case for the first of the two indicators PVC will monitor in this regard. To gather data, PVC will have to rely on its long term relationships with U.S. PVOs who will be in a better position to know whether programs with which they and PVC have been involved are sustained after PVC support ends.

The second indicator of sustainability PVC has selected is a "leading indicator," i.e., it is something that can be measured early on that has value as a predictor of future behavior. Local investments in the service delivery programs that PVOs and their local partners develop indicate that people in or close to the situation value the services that are being provided, and will continue to value them and support their delivery beyond the point where PVC's support for them ends.

PVC's ability to acquire useful data on the sustainability of the programs its grants support is not certain. Each of these measures requires further specification and consultation with PVC's PVO partners. What these indicators represent is a starting point.

3. Performance Indicators at the IR Level

At the IR level, PVC has identified several indicators for each of its five IRs. A number of the measures selected by PVC are experimental in the sense that the office's ability to gather data in a systematic and cost-effective way has yet to be tested.

Indicators for IR 1 focus on whether the PVOs that receive assistance from PVC have improved their capacity in some observable way. In selecting indicators for this IR, PVC looked for conditions that would signal capacity improvements. The indicators PVC will examine in this regard include:

- Percentage of key U.S. PVO staff working on PVC-supported grants who are technically qualified in the substantive field on which the grant program focuses, i.e., a Master's Degree or an equivalent level of practical, overseas experience in the program's substantive field;

- Average number of years that qualified technical staff (per the above) remain on the staff of the PVOs that receive PVC grants; and,

- Percentage of PVOs that have strategic plans in place.

The existence of qualified program staff and the ability of U.S. PVOs to retain these staff are viewed by PVC to be critical indicators of an improved operational and technical capacity in these organizations. Data on staff qualifications are already available from the PVOs supported by PVC. In operationalizing this indicator, PVC may ask PVOs to supplement and reformat information they already provide. As to targets for the first two of these indicators, PVC needs to work with the PVO community to ascertain a baseline and identify a reasonable pace for improvement, particularly with respect to the acquisition of technically qualified personnel.

System improvements are also essential for improved operational and technical capacity. The existence of strategic plans in grantee organizations is viewed by PVC as being a reasonable proxy indicator of an intention to improve an organization's operational and technical capacity to fulfill its mission. PVC would like to be able to determine whether the strategic plans that PVOs develop are actively utilized to guide their operations and to stimulate the systematic collection

and analysis of performance data. Being realistic, however, it has initially limited its monitoring in this regard to ascertaining whether strategic plans are in place in its grantee organizations. While the baseline situation must be established before annual targets can be set, PVC anticipates that it will expect a significant proportion of its grantees to have well developed strategic plans in place by the end of the planning period. To acquire information on this indicator, PVC will begin to require information on PVO strategic plans as part of the annual grant reports.

For IR 2, PVC sought indicators that would demonstrate that interactions as well as the broad relationship between USAID and its PVO partners are improving. In any given year, one or two indicators might remain steady, but others would change, reflecting the vitality PVC is seeking in this relationship. The indicators PVC will examine for this purpose include:

- The percentage of recommendations presented by the ACVFA's Partnership Subcommittee that are adopted by USAID;

- The percentage of USAID program funds channeled through U.S. PVOs.

The first of these indicators was chosen because it demonstrates that open lines of communication exist which help to facilitate the USAID/PVO partnership, and that these lines of communication are both transparent and credible. PVC's decision to focus this indicator on recommendations of the ACVFA Partnership Subcommittee was made to ensure that all recommendations that counted toward this percentage are pertinent to what PVC is trying to measure, i.e., partnership. Information on this indicator is already routinely collected and monitored by PVC, thus the cost of using this indicator would be minimal. Prior to setting annual targets for this indicator, PVC will review the percentage of recommendations that USAID adopted in previous years. PVC will also consult with the ACVFA as it structures this indicator, i.e., it may be that recommendations of different kinds will need to be given different weights to reflect their complexity or implications for USAID operations.

The second indicator is one that USAID currently monitors and publicly reports. Only development assistance (DA) funds programmed by USAID are used to calculate this percentage. In recent years, the percentage of DA funds channeled through U.S. PVOs was just above 25 percent. This percentage, which is measured annually for the Agency by the Budget Office in the Bureau for Management, will be monitored by PVC as an IR 2 measure as well. Increases in the percentage would strongly confirm USAID's commitment to this partnership.

PVC's IR 3 focuses on an objective that is central not only to the Office's mission but also to the success of NPI. As in the case of the USAID-PVO partnership, PVC will examine indicators that show that PVO-NGO relationships are dynamic. Here again, some measures might remain steady over a couple of years, but in any given year, at least one measure should show positive movement.

- Percentage of PVC resources (monetary or in-kind, e.g., training, TA, etc.) transferred by PVC grantees to their NGO partners, as part of a cooperative agreement with PVC;

- Percentage of PVC grantees that have established formal partnerships or linkages with one or more NGOs; and,

- Percentage of PVC grantees and their NGO partners that are "on-line".

The three indicators selected for IR 3, when taken together, will draw a reasonably clear picture of both the nature and the extent of the partnerships that U.S. PVOs are developing with their local NGO partners. Resource transfers are a good measure of support for NGO development, but in the absence of formal linkages or frequent communications, they may not represent strong and stable partnerships. Conversely, communication without resource transfers may signify a relationship, but not necessarily one which will substantially strengthen the capabilities of a PVO's NGO partner.

Data on these indicators, while not currently available, can be established as an RFA requirement. PVOs know what resources they transfer to their local partners and should be able to estimate the dollar value of those transfers. Copies of formal agreements with NGO partners and e-mail addresses for these partners can also be solicited from the U.S. PVOs with which PVC works. Some information on e-mail addresses is already being collected. Targets for these indicators may need to be set arbitrarily at first, since no baseline data exists and there is no reliable way to collect data on undocumented resource transfers retrospectively. Working with its PVO partners, PVC will explore ideas such as increasing the percentage of resources transferred to NGOs by 15 percent over five years; doubling if not tripling the number of NGO partnerships characterized by a formal arrangement or agreements over five years, and an equivalent increase in the number of partnerships in which both partners are "on-line".

IR 4 is the building-block upon which sustainable service delivery at the SO level most depends. At this level, indicators were sought which show that PVOs are expanding both their range of funding sources and the absolute levels that come from funders other than USAID. Indicators for this IR include:

- Median percentage of non-U.S. Government revenue of PVC grantees;
- Mean non-U.S. Government revenue of PVC grantees;
- Mean value of in-kind contributions to PVC grantees.

The first two indicators selected for this IR measure grantee success in mobilizing non-U.S. Government monetary resources, but they are distinct from each other in important ways. The first indicator assesses the dependency of PVC grantees on the U.S. government. Percentages will be determined for each grantee and then the median for all grantees will be calculated. The median of these percentages will be calculated instead of a mean because a median is not as susceptible to the influence of extreme highs and lows as is a mean. It is therefore a more reliable way of estimating the dependence of PVC grantees, as a group, on U.S. Government support. The percentages developed for individual PVC grantees will also give PVC a clear way of discerning which of its grantees would be most likely to benefit from assistance that focuses on resource mobilization strategies and techniques, i.e., the ones whose percentage of non-U.S. Government resources is below the median. The second of this pair of indicators will show how well PVC's grantees are doing as a group in raising funds from non-U.S. Government sources. The final indicator in this cluster enables PVOs to monitor and be credited for the degree to which their resource mobilization efforts lead to in-kind donations of goods and services, including volunteer time, that they would otherwise need to purchase in order to operate at their current and anticipated levels. PVC will use information supplied for the VOLAG report to arrive at current or baseline values with respect to each of these indicators. These baseline figures and any historical information that is available on past trends on these indicators will be used to establish a credible set of performance targets.

Indicators for IR 5 were perhaps the most difficult to define. Public awareness can at best be estimated; it is never known precisely. At the same time, there are behaviors that, if observed and recorded, provide indirect evidence of the public's knowledge and views. To assess changes in public awareness, PVC has selected two indicators which, over time, will provide indirect evidence concerning the achievement of this IR.

- Percentage of Biden-Pell and other PVC grantees that systematically measure changes in the knowledge/understanding of program target audiences as well as PVO contributors concerning the importance of sustainable development overseas and the role that USAID and the U.S. PVO community play in achieving that goal. (PVOs will be encouraged by PVC to use replicable and clearly documented pre-and post-testing techniques to ascertain whether changes in awareness and knowledge are occurring);

- Percentage of Biden-Pell and other PVC grantees that actively engage in efforts to record anecdotal and other qualitative evidence of changes in target audience and contributor awareness and understanding of foreign assistance. (While evidence of this sort is not as strong as that provided by more rigorous testing techniques, it too is important and may, for some PVOs, be a first step toward more systematic efforts to ensure that knowledge gained overseas about the results and value of foreign aid is being shared with people at home.)

Both of these indicators are measures of whether PVC grantees are themselves measuring program performance and communicating development experiences to the American public. Because of the wide variety of development education interventions funded through PVC's Biden-Pell grants and by other PVC grantees there is no reasonable way to systematize the measurement systems that grantees use to ascertain whether target audience and contributor awareness and knowledge have improved. What can be assessed, however, is the degree to which grantees engage in performance measurement activity, and the nature and quality of the performance measurement systems they put in place. In operationalizing these indicators, and setting targets in relation to them, PVC will work with its grantees to develop baseline data and establish reasonable performance targets.

Improvements in public awareness and knowledge of the importance of sustainable development overseas and the role that USAID and the U.S. PVOs play in contributing to the achievement of that goal are not an end in themselves. As indicated in earlier sections of this plan, PVC views improved public awareness and knowledge about foreign assistance as contributing to an overall improvement in public opinion concerning foreign assistance as well as leading to stronger commitment to and support for the international development goals of the U.S. government and of individual PVOs. For this reason, PVC will also monitor one indicator of U.S. public commitment in this area. While PVC's work alone might not be sufficient to bring about positive changes at this level, evidence of a deterioration in public support for foreign assistance would certainly warrant PVC's attention. The indicator PVC will monitor in this regard is the:

- Percentage change in commitment to sustainable development as indicated by national polling data, i.e., two questions for which time series data is being collected by Chicago Council on Foreign Relations[4]:

  -- Those who favor giving economic aid to other nations;

  -- Those who favor a cutback on economic aid programs.

This indicator relies on data that has already been collected at least twice and on which PVC anticipates additional data will be collected without USAID funds. The study in which these data are found is the Chicago Council on Foreign Relations volume on American Public Opinion and U.S. Foreign Policy, edited by John E. Rielly, which was published in 1991 and again in 1995. In 1991 and again in 1994, this study showed that 50 percent of the U.S. public favored giving economic aid to other nations. PVC's target for the planning period is the maintenance of at least this level of support for foreign economic assistance. As to the second polling question, data from 1991 showed that 64 percent of the U.S. public favored cutting back on foreign economic aid. In 1994, this figure dropped to 62 percent.

Part IV Resource Requirements

Adequate funding for both grant programs and human resources is critical for achievement of PVC's objectives, and for PVC's continued strong leadership for the Agency and the PVO community with respect to the USAID/PVO partnership. All of PVC's current grant programs are vital to the plan. Some will need to be expanded and strengthened if PVC is to be fully successful in objectives, such as bringing in new PVO partners, expanding development education and outreach to increase public awareness and supporting the NPI programs. PVC is fortunate that it has the flexibility to shift the priorities of its grant programs relatively quickly and easily through the annual RFA process, and the office plans to tailor the RFA guidance in the coming years to ensure that its grant programs provide maximum support for achievement of the office's intermediate results and strategic objective. PVC's optimal annual Development Assistance (DA) budget level for the strategy period is $60 million and at a minimum PVC must sustain the funding level of prior years of $50 million.

Because of PVC's central focus on capacity building and its high standards of customer service for the large PVO community, adequate human resources are particularly critical to the success of the plan. The use of new "reengineering" management approaches such as intermediate results teams will help the office to maximize the effectiveness of its current personnel. Nevertheless, PVC must sustain its current staff levels and fill two positions that are now vacant in order to have the direct hire resources to carry out the plan. In addition, as noted above, PVC requires additional technical expertise in order to respond to the needs of NPI and to provide the analytical support for key elements of the plan. This can be met through a combination of fellows and full time consultants – a minimum of three are required with an expertise in communications technology and public information; NGO empowerment; and evaluation, performance monitoring and impact assessment. Finally, PVC will have to make creative and effective use of external, short-term consultants through its vital office support contracts.

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4 PVC would prefer to use a larger set of polling questions, such as those developed and used, on a one time basis, by the University of Maryland, and presented at ACVFA's Public Meeting on January 25, 1995. However, no source of funds for undertaking this kind of detailed study on a regular basis has been identified.

GLOSSARY OF TERMS

ACVFA	Advisory Committee on Voluntary Foreign Aid
AID/W	United States Agency for International Development/Washington
BHR	Bureau for Humanitarian Response
CBO	Community Based Organization
CDIE	Center for Development Information and Evaluation
CDO	Cooperative Development Organization
COOP	Cooperative
DA	Development Assistance
DEVED	Development Education
FTF	Farmer to Farmer
GEM	Global Excellence in Management
GHAI	Greater Horn of Africa Initiative
IR	Intermediate Result
JHU	Johns Hopkins University
LEM	Leading Edge Mission
LPA	Office of Legislative and Public Affairs
LPVO	Local Private Voluntary Organization
NGO	Non-governmental Organization
NIS	Newly Independent States (of the former Soviet Union)
NPI	New Partnerships Initiative
OFR	Ocean Freight Reimbursement
OP	Office of Procurement
ORF	Office Results Framework
PPC	Program and Policy Coordination
PTA	Parents and Teachers Association
PVC	Office of Private and Voluntary Cooperation
PVO	Private Voluntary Organization
R4	Results Review and Resource Request
RFA	Request for Application
SDS	Sustainable Services Delivery Program
SEEP	Small Enterprise Education and Promotion Network
SID	Society for International Development
SO	Strategic Objective
TA	Technical Assistance
TDY	Temporary Duty Overseas
USAID	United States Agency for International Development
VOLAG	Report of American Voluntary Agencies Engaged in Overseas Relief and Development Registered with the U.S. Agency for International Development