Five Steps Towards Implementing a Deliberate Health Sector Element Phase-out

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A.   Introduction

Guiding a successful phase-out (or phase –down) strategy for a health sector element can be a challenging endeavor, with concerns of sustainability and priority-setting amidst a resource-constrained environment. A wealth of literature exists on prior USAID close outs and graduations in a number of sectors, however none of it has been collected in one, readily-accessible document, summarized and tailored to meet the needs of a phase-out in the health sector. This document attempts to fill that gap, summarizing the key points offered in the literature, and supplying materials to help support informed decision-making.

The authors identify five key steps that need to be completed for a successful and deliberate health sector element phase-out in a country. The five steps are:

1. Careful coordination and communication with all stakeholders.
2. Development of a written phase-out strategy with host country government and partners.
3. Strengthening of existing or new collaborations for leaving a USAID legacy in country.
4. Communication and documentation of the program successes over the entire period of assistance in a country.
5. Evaluation of the program or health sector element at the end of the assistance.

The following pages provide information for each of these steps and clarify what each stage encompasses. These materials do not offer a universal approach to ensuring post-phase-out sustainability; rather, different programs will lend themselves to different methods, and one cannot guarantee that all programs will thrive in a post-phase-out environment. The goal of these resources is to indicate levels of planning that should occur at the mission-level and to suggest additional references that may help missions determine what steps to take as part of their individual phase-out approach. By progressing through these stages methodically, health sector and health sector elements that are phasing out can assess their current programming and plan for sustainability.

Note that the information present in this document is intended towards those health sector elements that are phasing out rapidly, perhaps within the next one to four years. This document can also be utilized as resource for those Missions that are phasing-down their activities as opposed to phasing-out. There is a second document, *"Graduation and Phase-out in the Health Sector: What Have We Learned?"* that offers lessons learned in sustainability for all health programs, regardless of stage of program implementation or phase-out status.

DEFINITIONS OF GRADUATION, PHASE-OUT, PHASING DOWN

Graduation refers to close-out of a health sector element (FP, HIV, MCH etc.), overall health sector or a country from externally provided resources, once certain thresholds of development or intended results have been achieved.

Phase-out is the withdrawal of a sponsor's involvement in a program, often but not always, as a result of budgetary or political considerations. In the broader literature, phase-out often refers to a withdrawal of donor involvement without plans to turn over the activities to another institution to continue implementation. In USAID's experience, phase-out in the health sector, even those implemented on abbreviated timelines, are distinguished by some planning for sustainability. Any negative impact on the country program can be reduced by careful planning of phase-out and phase down activities.

Phasing down is the gradual reduction of activities utilizing local organizations to sustain program benefits while the donor agency deploys fewer resources. Donors transfer program activities to local communities or institutions, such that services can continue and managed through local organizations. Phasing down is often a preliminary stage to phasing out. One can have phase-down and phase-out activities at the same time in a given program – e.g. transfer of activities in a particular geographic area to a local entity while eliminating activities altogether in other geographic areas.

Transition is the change from one type of assistance to another process over a certain time period. For the health sector element phase-out, it is the process that occurs during the time between the decision to phase-out and the completion of phase-out (or graduation).

Sustainability is the capacity of a host-country entity to achieve long-term success and stability and to serve its clients and consumers without interruption and without reducing the quality of services.

> *The transition period, the time between the establishment of a graduation / phase-out date and the evitable graduation/phase-out date, is a critical period. This period is one during which gains made under past programs should be consolidated, ongoing activities that do not contribute to successful graduations/ phase-out are removed and new activities are introduced only if they are necessary for successful graduation or phase-out of the health sector element. Often, what USAID does during this period determines what we leave behind in the graduating country- the USAID legacy in the country.*

PURPOSE OF A PHASE-OUT STRATEGY

The main purpose of developing and implementing a phase-out strategy is to ensure the continuity of the goals and achievements of the program. A phase-out strategy is a description of a process to withdraw resources while ensuring, to the extent possible, achievement of the program goals is continued. It is a <u>sustainability plan</u> in effect. The phase-out strategy is developed and implemented in consideration of the country context and situation. There may be staggered phase-outs geographically, by project type, or simultaneous withdrawals from the health sector elements across the country. A gradual phase-out is recommended, with staggered graduation of project sites such that lessons learned from one site can be applied in others as time goes.

While planning and developing a phase-out strategy, it is important to keep it flexible for any unknown factors.

> **The main aim of any phase-out strategy or graduation plan is to ensure that the program goals and achievement are continued in the country - in effect a sustainability plan.**

B. Elaboration of the five key steps to undertake for a deliberate phase-out strategy in the Health Sector

1. CAREFUL COORDINATION AND COMMUNICATION

Coordination and communication on close out dates with all stakeholders, internal and external partners, is a key first step to a successful phase-out strategy and to ensure better program outcomes. It is important to articulate up front the time line of the phase-out and the type of participation that is envisioned post funding withdrawal of USAID. This includes communication with USAID staff, multi-lateral partners, implementing partners, host government, beneficiaries of programs and other stakeholders.

Communicating within the Mission will help staff agree on the priorities outlined in the phase-out strategy, facilitate internal buy-in for the change process, and pave the way for staff to transition to new employment opportunities.

USAID Washington and the Mission should share a consistent message and phase-out time line with the government and partners. Clear communication will avoid a haphazard process. External communication will help USAID engage with other important stakeholders within the host country, explore alternative funding streams, develop a sustainability plan for the health sector element(s) and lay the groundwork for future USG-host country relationships.

2. DEVELOPING A PHASE-OUT STRATEGY DOCUMENT WITH THE HOST COUNTRY GOVERNMENT AND PARTNERS[1]

WHAT IS A PHASE-OUT STRATEGY?[2]

The phase-out strategy is the first comprehensive planning document in the phase-out process. A phase–out strategy is a written plan developed in agreement with the government and partners. It lists the actions that will be undertaken, the name of the responsible group for each action, proposed time-lines, indicators and bench marks for monitoring progress for all activities. Phase-out strategies planned together with all stake holders ensure improved program outcomes and encourage

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[1] Modified from: Gardner, Alison, Kara Greenblott and Erika Joubert. *What we know about exit strategies: practical guidance for developing exit strategies in the field*. Consortium for Southern Africa Food Security Emergency (C-SAFE); USAID. Bureau for Democracy, Conflict and Humanitarian Assistance. Office of Food for Peace (FFP), September 2005. http://pdf.usaid.gov/pdf_docs/PNADE671.pdf

[2] Modified from: Bureau for Europe and Eurasia Operating Procedure: *Guidance for Preparation of an Exit Strategy*

commitment to sustainability of the program. Phase-out strategies can clarify and define a donor's role to host countries and local partners, identify time limitations, reduce future dependency and inform plans for the next phase of the programming.

The principal purpose of this strategy is to delineate and justify the major objectives that will be pursued for the duration of the health program. The phase-out strategy serves as a road map to monitor country progress and the appropriateness of USG assistance programs as the phase-out date approaches. In the process of preparing a phase-out strategy, the implications of the phase-out funding for accomplishing strategic objectives will be clarified.

A phase-out strategy should have indictors to measure progress, a budget for all activities to be undertaken including documentation and a final evaluation of the program.

Before the health sector element phase-out date, the mission should identify its activities and associated budgets with descriptions on how sufficient progress will be made over the next few months and/or years in reaching benchmark standards in the health sector or element scheduled to be phased out. *To the extent possible the strategy should be incorporated into existing planning documents and program cycle, such as the OP, COP, MOP, MSRP, CDCS.*

Appendix 1 contains a matrix for planning a phase-out strategy with stakeholders. The aim of undergoing this exercise with partners is to reach an understanding on the following:

> a. How will we "phase-down" our health sector element? Will we "phase-out" activities or hand them off to a local actor?
>
> b. What is the appropriate time line?
>
> c. How will we know we are on track for phase-out?
>
> d. What indicators or benchmarks will we use? How will we monitor them?
>
> e. What are the specific action steps to reach the benchmarks?
>
> f. With what types of organizations should we partner?
>
> g. What will our partners bring to the partnership? What can we offer?
>
> h. How will the partnership prepare for exit? How can the partnership help facilitate a successful exit?
>
> i. What capacities are needed?
>
> j. What capacities already exist?
>
> k. What indicators will we use to monitor progress in building these capacities?
>
> l. What are the key elements of the program?
>
> m. Which elements are dependent on others?

n. What are the graduation and exit plan and time line for the program components? How will it be implemented? How will it be monitored?

o. What types of ongoing support would be most useful (e.g. advice, mentoring, TA)

p. How will such ongoing support be funded when the project finishes?

WHEN IS THE PHASE-OUT STRATEGY WRITTEN?

A phase-out strategy should encompass the period from the date when a phase-out date is determined until the phase-out date itself. The plan should be prepared as soon as possible after a relatively certain decision is made to phase-out a health sector element or health sector.

WHAT MUST A PHASE-OUT STRATEGY INCLUDE?

Appendix 2 contains a sample lay-out of the phase-out strategy. The strategy should contain the following sections: an introduction/overview; health sector/ health sector element performance; description of phase-out strategy including indicators for measuring performance; vision on sustainability of the program; budget and timelines (this should include a budget for activities relating to communication and documentation of successes; and an end evaluation of the program).

The most substantial opportunities missed as a result of phasing out programs in the sector should be described, i.e. what will not be done and what the implications are for not completing these strategic objectives.

3. STRENGTHENING OF EXISTING OR NEW COLLABORATIONS FOR LEAVING A USAID LEGACY IN COUNTRY

As USAID plans to phase-out the health sector element or health sector in a country, the discussion on what USAID would like to leave behind in a country becomes paramount. The long term impact USAID has on the recipient country's health sector program is also known as USAID's legacy. Moderate investments can leave an appropriate and visible legacy in a country if planned and executed carefully.

During the transition phase, efforts should be made to strengthen existing relationships or new collaborations with institutions that may have developed in the decades of support such as think tanks, business development centers, non-governmental institutions, research institutions, academic institutions. Strengthening relations with institutions is an important step towards establishing the USAID legacy in the country. Bi-national commissions (with formal bilateral agreements and high level official involvement from both nations) and bi-national foundations can also be formed. Research on previous USAID graduations in various sectors show that USAID has also engaged in legacy mechanisms such as endowments, trust funds and foundations. Innovative financing mechanism such as the utilization of the development credit authority have also served a dual

function, a legacy mechanism for USAID and a way to leverage considerable resources at a small budgetary cost during for the continuation of the program(s).

Brief examples of legacy mechanisms that USAID has undertaken in the past are listed below:

a. Institution to institution linkages. For example partnerships between universities or think tanks, or with NIH have been effective.
b. Endowment funds set up by governments, donors, NGOs, private sector entities, and other interested parties to provide resources and grants for an area of focus. Typically the interest generated from the fund is the main source of funding for the endowment, which means that the endowment itself needs to be substantial. For example **Asociación Pro-Bienestar de la Familia (PROFAMILIA)** was founded in 1965, it joined the International Planned Parenthood Federation in 1967, and is currently the largest provider of family planning services in Colombia. PROFAMILIA began receiving USAID funds in 1967 and remained a USAID partner until 1993, when—linked with certain graduation criteria—it was established as an independent business within Colombia [3]. As part of this graduation process, PROFAMILIA received an evergreen fund from USAID in 1993, endowed with $6 million, to serve as a "long-term financial cushion." [4] This endowment has been used primarily to pay for renovations and to maintain PROFAMILIA's diversification of services following the end of USAID direct assistance. PROFAMILIA's revenue, however, is primarily generated through three venues: a widely recognized social marketing apparatus, public sector contracts to support social programs, and outpatient clinics, where reproductive health services are provided above cost but below other clinics' charges [5]. Currently PROFAMILIA is a sustainable business—it receives USAID funds only for its social programming[6] and not directly to cover regular operating expenses. (Note that currently USAID is not able to establish endowments easily).
c. Bi-national commissions are a mechanism for exchanging ideas and capabilities in areas of mutual interest and can be established for long-term exchange of information and intellectual capital exchange.
d. Engagement of local professionals in international and cross-national exchanges, meetings, workshops to ensure access to up-to-date information and technologies.
e. Partnerships and leveraging the local private sector e.g. utilization of a DCA. USAID/ Georgia is utilizing a DCA loan guarantee to stimulate private lending to the health sector; this will remain in effect after grant support in health sector has come to an end.

The authors undertook a separate research to examine USAID's experience with legacy mechanisms. They found 73 USAID-initiated legacy mechanisms (1985-2007) across multiple sectors in 37 countries. The complete list and information on these 73 legacy mechanisms is detailed in the second paper *"Graduation and Phase-out in the Health Sector: What Have We Learned?"* in Annex 4. In addition, Annex 3 provides a description of the seven USAID Endowments in the health sector.

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[3] http://www.profamilia.org.co/pdfs/historia_profamilia.pdf
[4] http://pdf.usaid.gov/pdf_docs/PNADB909.pdf
[5] http://www.rhsupplies.org/fileadmin/user_upload/toolkit/B_Advocacy_for_RHS/The_FP_Graduation_Experience-Lessons_for_Future.pdf
[6] http://www.profamilia.org.co/index.php?option=com_content&view=article&id=246&Itemid=179

4. COMMUNICATION AND DOCUMENTATION OF THE PROGRAM SUCCESSES

As USAID plans for phase-out in the health sector or health sector element, the transition period serves an opportunity to celebrate the long years of collaboration and successes that it has held with the host government. It is important to document and widely disseminate the USAID support, successes, tools, and materials that the program has enjoyed over the totality of USAID support to the health element/sector. There should be a plan for sharing this information to internal and external audiences with communication materials, videos, and events and these activities should be described in the phase-out strategy with an associated budget. Below are some examples of dissemination methods:

For in country audience:
- Media site visits, with members of the media visiting USAID project sites.
- Public events with the media.
- Public service announcements
- Media interviews with the Mission Director and other USAID staff.
- Inauguration ceremonies to showcase the benefits of the program and linkages with other activities.
- Community forums, where members of the community can share their experiences in working with USAID supported activities.
- Human interest success stories for publication in local media.
- Publication and promotion of informational materials on USAID's health program (fact sheets, "legacy book," website materials).

For American audiences:
Policy-making staff and leaders and the American public should be aware of the impact of USAID's health programs. Activities could include:
- Site visits for VIP visitors, CODELS, and STAFFDELS.
- Making Senior Staff available for speaking events.
- Arranging meetings for Mission health and senior staff with Congressional staff and interviews while in the U.S.
- Articles and features on USAID and key external websites, Frontline newsletter, cables and blogs.
- Sharing local media coverage with the Global Health Bureau and Regional Bureaus
- Documentation of a legacy document, video etc. that describes the USAID contributions, time line and program successes of USAID supported health elements. These can be broadcast on the mission website as well as the main USAID website.

5. EVALUATION OF THE PROGRAM / HEALTH SECTOR ELEMENT

As part of the phase-out strategy, funding would need to be set aside to support a final evaluation of the health program. Evaluations are frequently neglected as part of program phase-outs. In order to be useful, there should also be an evaluation a few years after the phase-out has been completed. This will assist in determining if the program/health sector element impact has been sustained, expanded or improved after it has ended and whether systems continue to function effectively. Funds for the post phase-out evaluation could come from the existing health budget for health sector element evaluations. Funding could also be budgeted in the phase-out strategy that details monitoring of strategy benchmarks. For example, funding for technical assistance support for conducting a DHS survey is set aside in USAID family planning graduated countries.

C.   Lessons Learned

For those countries undergoing a graduation or phase-out of a health sector element in the immediate future, the following are a number of lessons that Missions can apply in their transition planning. The research team has distilled these lessons from review of literature on close-out of programs in all sectors.

1. There should be clear and transparent communication about the phase-out or graduation date within USAID (headquarters and Mission), and between USAID, the host government, and other stakeholders in a country. This is an essential first step toward a successful close-out of a health sector element in a country.

2. A recurring finding in past graduations or phase-out of programs is that typically there is insufficient time provided for close-out of activities. An appropriate length of time is required to negotiate and implement a graduation or phase-out agreement with the government and partners. The plan should be developed as soon as possible after a decision is made to close out a health sector element or health sector.

3. Sustained programmatic, technical, and financial commitment needs to be provided by USAID to follow through on an established graduation or phase-out plan.

4. It is useful to link the phase-out cycle or graduation to the USAID budget cycle and timelines.

5. If the entire USAID Mission is not closing, it is beneficial to communicate the close-out of the health sector or health sector element while also emphasizing continued assistance in other sectors in the country. This helps to maintain strong government relations.

6. It is useful to conduct a costing exercise for services, commodities, and/or infrastructure that need to be sustained once USAID assistance has ended.

7. A phase-out or graduation plan should be flexible enough to accommodate any unforeseen developments so that resources and approaches can be altered and adapted to meet changing needs. The plan should consider any potential interruptions. Elections, political circumstances and national disasters are examples of external conditions that can alter implementation of a plan.

8. Often overlooked in planning are institutionalizing skills for management and supervisory skills; these are important components of program sustainability.

9. In working on sustainability mechanisms for providing services, addressing the needs of base of pyramid populations is key; this often is overlooked.

10. While developing a phase-out or graduation plan, USAID staff should look at multi-sectoral collaborations within USAID and with all stakeholders. These may play an important role, as certain goals and activities of a close-out strategy could be absorbed into the work plan of another sector at a later date. For example, in past close-out's Missions have use democracy and governance support to help advance policy reforms for the health sector. The East Europe region has a wealth of experience in utilizing the democracy and governance sectors for such health policy changes.

11. Missions closing support for health sector elements should explore alternative avenues for financial and technical support e.g from diaspora groups, partnerships with local CSOs, the private sector, NGOs, and foundations in a given country. These alliances are in fact most beneficial from the start of projects and help develop sustainable programs at onset.

12. Donor coordination and collaboration is important in itself and even more important during the transition phase. USAID and other donors should plan the phase-out or graduation plan together, harmonizing their work to achieve the greatest impact.

13. A Mission may want to plan a post-graduation relationship with the host government, and funding could be kept aside for post-close-out research and collaborations. This has taken the form of evaluations (support for FP surveys), country assessments, travel grants, conference support, exchange programs, and university partnerships.

14. Diplomatic collaborations play a key role once development assistance is coming to an end. The diplomatic collaborations should be enhanced by USG as a whole in a concerted manner.

15. Funding should be set aside for a post-graduation assessment. This has been a shortcoming in most graduations to date and would offer a good learning opportunity for the USG and the global heath community at large.

16. Phase-out of health programs in general is a poor option. Graduation is the preferred option to achieve sustainability of program goals.

REFERENCES

The following appendices are available for reference:

Additionally, the *ADS Guidance on How to Close a USAID Mission – Checklist* can be located at the following address: http://www.usaid.gov/sites/default/files/documents/1868/527mab.pdf

These checklists apply to a whole mission closing; however the checklists and information could be tailored to suit a health sector element closeout. The checklists provide a list of actions of administrative procedures that need to be completed when it has been determined to close a USAID Mission in a planned, immediate or emergency setting. The checklists are organized in the following sections:

A. Personnel Checklist
B. Financial Management Checklist
C. Procurement and Supply Checklist
D. Property Checklist
E. Disposal/Redistribution of Information Technology (IT) Equipment Checklist
F. Real Property Close-Out Checklist
G. Records Management Checklist
H. Participant Training Checklist
I. Missions Without an Executive Officer

APPENDIX A [7]: PLANNING MATRIX FOR A PHASE-OUT STRATEGY FOR HEALTH SECTOR/ HEALTH SECTOR ELEMENT

This is developed in consultation with stakeholders in a group meeting/ workshop.

1.	What is your program's/ health sector element objective?
2.	What parts of your program and which of its outcomes do you want to sustain?

Component	Key Questions	Guiding Principles	Challenges
1.Plan for Phase-out:	• How will we "phase-down" our health sector element? Will we "phase-out" activities or hand them off to a local actor? • What is the appropriate time line? • How will we know we are on track for phase-out? • What indicators or benchmarks will we use? How will we monitor them? • What are the specific action steps to reach the benchmarks?	1.Flexibility: 2. Ongoing program review and revision 3. Transparency: especially regarding program limitations and funding cycle 4. Participation: include key stakeholders	• Balancing firm commitments with flexibility as conditions change; sometimes planning is necessary although future funding is uncertain • Allowing adequate time to develop capacity, sustainability while working within the program funding cycle • Responding to changing needs of program and beneficiaries.
Partnerships and Linkages	• With what types of organizations should we partner? • What will our partners bring to the partnership? What can we offer? • How will the partnership prepare for phase-out? How can the partnership help facilitate a successful phase - out?	1. Diversity: other program inputs may be needed. 2. Complementarity: consider all possible partners, build in coordination and referral. 3. Clear and common goals	• Aligning the needs and objectives of diverse stakeholders • Supporting local partners without building dependency • Increased numbers of "role players", more time needed to identify, select and build partnerships
Local organizational and human capacity	• What capacities are needed? • What capacities already exist? • What indicators will we use to monitor progress in building these capacities?	1. Build on existing capacity whenever possible 2. Sponsoring organizations and partners model appropriate organizational & individual behaviors. 3. Create environments that support new behaviors and skills 4. Monitor progress	• Designing a monitoring system to track capacity building • Providing appropriate, sustainable incentives • Retaining experienced staff in program areas.
Mobilizing local	• What inputs will we need to	1. Continue to progress toward	• Difficulty in finding adequate or available

and external resources as an exit strategy.	maintain services? • Who can provide these inputs? To what extent are they available locally? Externally? • Which benefits of the program can be sustained without continued inputs? To what extent can the benefits be sustained without ongoing inputs?	sustainability. 2. Generate / procure? resources locally where possible 3. Increasingly, bring external resources under local control 4. Advocate for long term needs of communities and individuals.	local resources • Sources of other funding may not buy-in to all of the original program's objectives • Resisting the tendency to cover a lack of sustainability by simply finding a new donor to fund inputs • Sustaining program impacts
Staggering phase-out of various activities	• What are the key elements of the program? • Which elements are dependent on others? • What is the graduation and phase -out strategy and timeline for the program components? How will it be implemented? How will it be monitored?	1. Flexibility; the logical sequence for staggering phase-out of various activities may change once activities have been implemented	• Sufficient time in program cycle to start seeing the impact of activities
Allowing roles and relationships to evolve and continue after exit	• What types of ongoing support would be most useful (e.g. advice, mentoring, TA) • How will such ongoing support be funded when the project finishes?	1. Prevent slippage of programs results by re-entering if necessary	• Availability of funding for ongoing support • Availability of program staff who can focus sufficient time and energy on ongoing support in an area where a full program doesn't exist

APPENDIX B [8]: PHASE-OUT PLAN DESCRIPTION

1. INTRODUCTION/OVERVIEW

Section one of the phase-out plan should describe USG strategic interests in the health sector including overriding political, social, economic and/or security and legal issues. It should include a description of the goals of USG programs for the health sector/ health sector element that has been identified for phase-out. To provide a background and context of the foreign assistance in the country, information should be provided on the overall USAID portfolio that will continue after phase-out of the health sector element and the overall USG and multinationals plans in the country, with emphasis on their plans in health sector element that is being phased out. It should also provide an explanation of why a decision was reached to end USAID health sector presence in the host country.

2. COUNTRY PERFORMANCE

Section two of the Phase-out Plan should provide an overview of health sector/ health sector element performance over the past several years and the country's trends in that sector. This section should also describe indications of whether or not the country is on track to reach phase-out benchmarks if any have been identified. Specifically, this section should address the following questions:

1. What progress has been made in reaching program/ element objectives? What do the country progress data indicate about the country's progress towards meeting benchmark standards in the sector?
2. How have existing programs and activities contributed to that progress?
3. If a changed or changing operating environment has caused progress in the sector to stall or backslide, please explain these changes.
4. What adjustments have been made to programs and resources to both address challenges and build on successes?

3. PHASE-OUT STRATEGIC PLAN

Section three of the sector Phase-out plan should contain descriptions/explanations of:

1. What are the phase-out strategy objectives?
2. What is the phase-out strategy for the program or elements - phase-out, phase over etc.?
3. What are the overall criteria determined for exiting?
4. What are the phase-out indicators to be used to measure progress for each objective?
5. The activities planned until phase-out should be listed and a budget of expenditures presented. Planned outcomes should be identified for each activity, with changes from previously planned outcomes shown.

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[8] Guidance for FSA and SEED Phase-Out Plans, Office of the Coordinator of U.S. Assistance to Europe and Eurasia, 2005

6.   For existing programs, any proposed adjustments to these programs, and any proposed new exit activities (different from program activities) needed? Trade-offs needed, if applicable.
7.   Proposed shifts in resources and the rationale for such shifts.
8.   Details on the time-line of activities and phase –out strategy.

4. SUSTAINABILITY

Section four of the sector phase-out plan should discuss the vision of program sustainability: What institutions, processes, skills, attitudes, etc. will remain (or grow) after USG assistance ends? What steps are being planned to increase the chances that positive changes initiated with USG assistance will continue whether through alternative sources of funding or through self-sustaining efforts? Will certain health program elements be absorbed by other USAID sectors? USG? Multilaterals? Is there a partnership with local organizations, NGO's that will contribute to the long term sustainability of the program goals? The end goal is to make the health sector element wholly owned and operated by domestically by local institutions and structures.

5. BUDGET

The staffing planned until phase-out should be identified and a budget presented for operational expenses until the phase-out date. Any post-presence activities planned should be identified and a budget presented for their costs.

APPENDIX C: FOREIGN SERVICE NATIONALS REDUCTION IN FORCE (RIF)

What if I have to RIF some of the FSN staff? [9]
When RIF action is necessary, employees selected for separation shall be determined as follows:

- The USAID Mission will select the number and type of positions to be eliminated.

- The Executive Officer, in conjunction with Mission management, will be responsible for preparing   retention register(s) listing all employees with duties designated for elimination and all employees at the same or lower grades. This is detailed further in the full RIF guidance.

- The Mission may elect to not allow for the movement of personnel from one location to another as part of the RIF. If this action is taken, it will be implemented without exception, and apply to all USAID positions for the duration of the RIF.

How should I notify FSN staff of an impending RIF?
Employees to be separated under the RIF need to receive a written notice, usually from the USAID Executive Officer. Whenever possible, the employee will receive a notice of the RIF at least 30 full calendar days or more in advance of the date of release, omitting the day the notice is delivered.

What should I say in the notice?
The official notification will state specifically what action the agency intends to take, the effective date of that action, the employee's Designated Area for Competition and Competitive Level, the Retention Points, and how the Retention Points were determined. The notice will also describe the employee's right to appeal the RIF.

When an employee is notified, should they still come to work?
When possible, the employee will remain in a duty status during the notice period. During this period, the employee should use any excess annual leave which cannot be paid in a lump-sum. Posts may consider paying salary (without charging leave) for the specified period of notice, in lieu of notice, and separate the employee immediately.

What if an employee wants to appeal?
Employees have the right to appeal to an Agency RIF Review Board under certain circumstances. These are outlined further in the full RIF guidance. The RIF Review Board shall not, however, act as a substitute FSN Grievance Board.

Can I help the employee find another job?

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[9] Drawn from the *Draft USAID Model Foreign Service National (FSN) Reduction in Force (RIF) Plan*, prepared as a reference to the State Department's 3 FAM 7732.4

USAID/Washington requires all USAID Missions to have an active and aggressive FSN Career Transition Assistance Program (CTAP), or out-placement program, in place prior to implementing FSN RIF procedures.

The following is a list of "Best Practice" CTAP services, albeit not in any priority order:

- Provide the separation date as far in advance as possible
- Offer voluntary retirement or separation with full benefits, in accordance with the LCP in order to avoid involuntary RIF actions
- Communicate frequently regarding RIF developments
- Offer career transition counseling
- Perform skills training by scaling up and/or adapting the IDP to prepare employees for transition to outside employment
- Offer formal training/"after hours" courses to enable employees to complete degrees or obtain trade licenses
- Perform skills assessments to identify and categorize the skills and aptitudes of displaced FSNs in order to help them better target their job search
- Offer instruction in resume writing
- Give instruction in interview techniques
- Counsel FSN Green Card holders planning to immigrate to the US on job search techniques
- Obtain priority consideration for them in filling other USG vacancies
- Provide a Job Bank or inventory of local vacancies, in USG agencies, and in the public and private sector
- Provide letters of recommendation to prospective employers
- Advertise availability of staff in local publications
- Offer job search and placement services
- Facilitate direct contact with local employers
- Provide a separate room, with telephones, computers, typewriters (if needed), and printers for separating and separated FSNs to make contacts and to prepare resumes
- Review and revise the LCP to provide special payments to displaced FSN employees
- Allow the use of a certain amount of work time for interviews