



**USAID**  
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# Uganda Country Development Cooperation Strategy



2011-2015

***WORKING EXTRACT***

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## Working Extract

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## Executive Summary

President Obama's new U.S. Global Development Policy directs USAID to formulate Country Development Cooperation Strategies (CDCS) that are results-oriented and partner with host countries to focus investments. USAID/Uganda's CDCS implements this policy in the Ugandan context, making considered choices that focus and deepen programs and take closer account of the host country and donor context, while maintaining close coordination with U.S. Government (USG) partners.

The five-year CDCS has the following Goal Statement, echoing the Government of Uganda's (GOU) vision for national development in Uganda:

- *Uganda's transition to a modern and prosperous country accelerated*

This Goal will be pursued through three Development Objectives (DOs) and one Special Objective (SpO):

- *DO1: Economic growth from agriculture and the natural resource base expanded in selected areas and population groups*
- *DO2: Democracy and governance systems strengthened and made more accountable*
- *DO3: Improved health and nutrition status in focus areas and population groups*
- *SpO1: Peace and security improved in Karamoja*

During the strategy development process, the Mission made a number of strategic choices to implement the CDCS Guidance and focus investments:

- Democracy and governance resources now focused on local government: Local government is key to service delivery. DO2 will work in the same districts as the other DOs to improve the performance of local government and help improve service delivery. A democracy and governance assessment will evaluate the post-election scenario in mid-2011 for possible additional democracy programming.
- Feed the Future (FTF) is the centerpiece of DO1: The Mission designed a focused, evidence-based FTF strategy for Uganda that was well received in the November 2010 strategy review with the Administrator; that strategy is central to DO1.
- Education changes from a broad national program to work solely on literacy: Evidence shows that literacy is causally linked to health and especially to family planning; we have therefore made literacy an intermediate result to achieving DO3.
- Focus on game-changing trends: Population growth and oil production are game-changing trends for Uganda. We have reallocated resources to family planning and refocused the environment program to contribute to an interagency effort to assist the GOU with the implications of oil production.
- Move Food for Peace (FFP) resources from the North to Karamoja: Based on recent evidence, we propose to move significant FFP resources from the North to implement a Karamoja special objective in northeastern Uganda. Those resources will be tightly coordinated with other USG partners under the SpO.

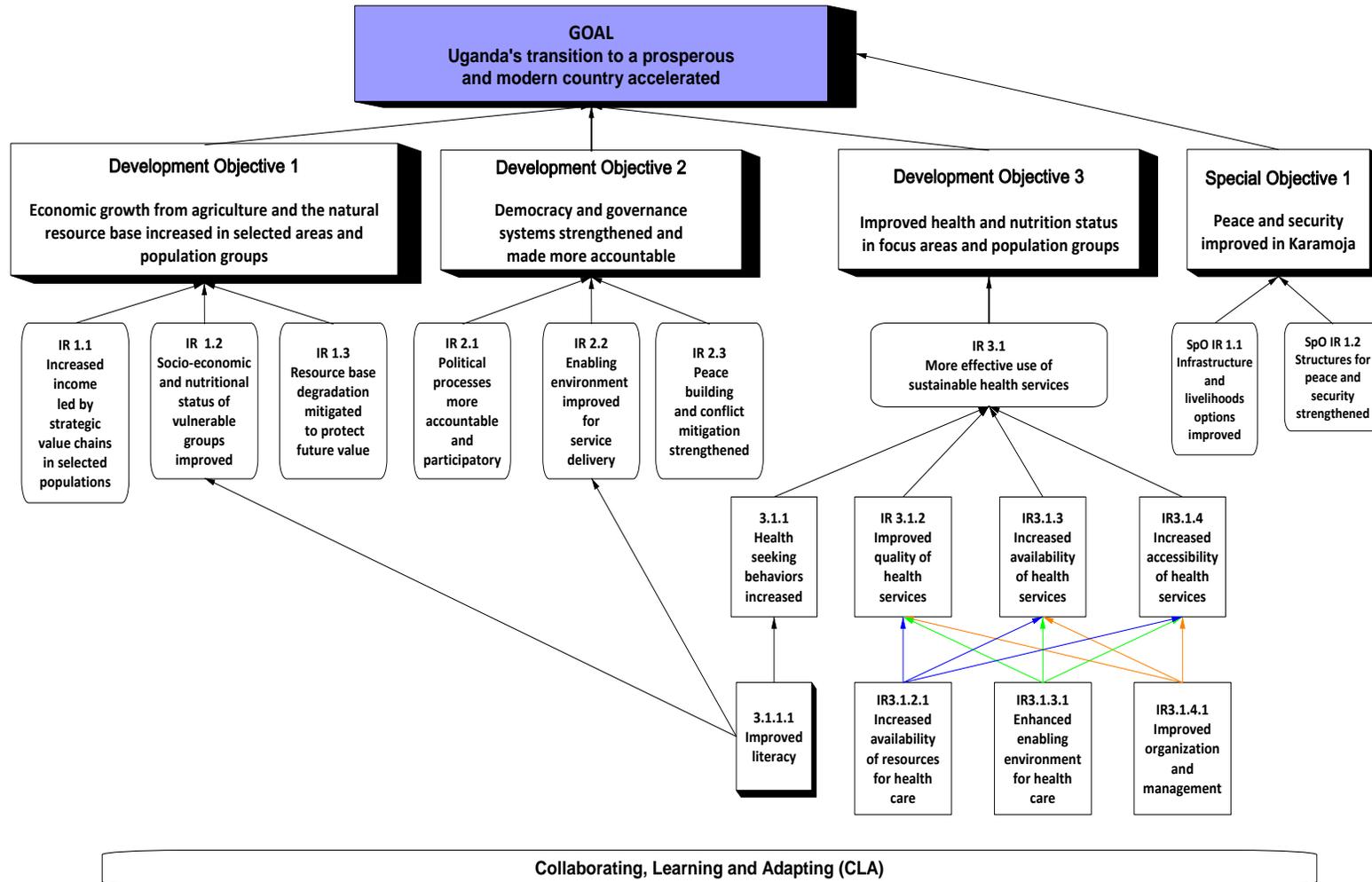
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- Geographic and population group focus: All DOs will delimit where the impact will be and for what population; this change will allow us to specifically define targeted impact and design the programs needed to get there.
- Use Collaborating, Learning, and Adapting (CLA) methodology to make a living strategy: Traditionally, strategies become increasingly “out-of-touch” with events as the strategy period unfolds. This strategy will use a different approach to re-assess our explicit development hypotheses and make operational adjustments.
- Budget changes: We propose increasing focus through strategic budget choices for the FY 2012 request and out years. These include: reallocation to increase family planning and maternal and child health; reallocate some water funding; eliminate fistula earmark. Much of our focus is achieved not through changes to budget but by programmatic focus (e.g., education) or geographic focus.

Uganda’s CDCS helps implement the USAID Forward reform agenda in a number of ways:

- Procurement: The Mission has analyzed what it will do specifically in FY11 to increase use of host country systems, broaden the partner base, and strengthen partnerships with other donors and multilateral organizations (see Annex 4 for details). Nascent efforts to use host country systems will be closely monitored to find ways to expand and replicate them (see pg. 13).
- Rebuilding Policy Capacity and Budget Management: Uganda’s CDCS sets explicit priorities tied to host country plans and conditions (e.g., agriculture development, oil production, population growth). Starting in FY12, the Mission requests strategic reallocations to implement this country-led strategy.
- Strengthening Monitoring and Evaluation: We lay out specific testable development hypotheses and evaluation questions in this CDCS. Our Collaborating, Learning, and Adapting (CLA) methodology will use data from strengthened M&E processes to enlist USAID staff, partners and other stakeholders in collaborating and learning to continuously evaluate and adapt their programs in order to improve progress toward the outcome (see Annex 2 for details on CLA).
- Science and Technology: Under this CDCS, we will scale up recently identified insights from science and technology. An example is scaling up locally produced, ready to use, therapeutic food that research has shown has unique results for the severely malnourished and people living with HIV/AIDS – we will help increase production of this product so that it is available in all district hospitals. A second example is scaling up cultivation of a Vitamin A-enriched orange flesh sweet potato under our Feed the Future program (see Section 4).
- Innovation: We will allocate \$5 million/year under our FTF program to an Innovation Investment Fund, recognizing the role innovation might have on the problem set addressed by FTF. We have integrated Short Message Service (SMS) applications in many of our interventions, such as health monitoring, elections, and market information systems. We have a full-time GIS Specialist and will use this technology to answer real questions about where to target FTF and monitor results geographically.

## 2. Results Framework Graphic



### 3. Results Framework Narrative

#### Overall Goal

The overall Goal Statement for this CDCS strategy is:

#### *Uganda's transition to a modern and prosperous country accelerated*

This Goal derives from the country's National Development Plan (2010/11 – 2014/15) that states that the Government's vision is "A Transformed Ugandan society from a peasant to a modern and prosperous country within 30 years." USAID has chosen three Development Objectives and a Special Objective that are designed to accelerate this transition during the five year CDCS period beyond what would have happened if USAID had not been engaged.

The goal is largely a measurable one. Prosperity can be measured by poverty rates and GDP growth, and the distribution of prosperity can be measured by ratios and Gini coefficients. A modern country implies democratic principles and orderly succession of power, transparency and predictability for the private sector and civil society, and efficient, equitable services for the population.

The goal implies certain key scenarios will not happen. Uganda's steady path of poverty reduction over the past 20 years could easily be broken in any number of ways, such as through major internal conflict, service delivery that cannot keep up with the needs of the growing population and economy, accelerated dissatisfaction over poor governance, or spiraling corruption caused by the emerging oil industry. The DOs and SpO are designed to help Uganda avoid these pitfalls while strengthening elements that increase prosperity.

#### Relationship of DOs to Overall Goal

*DO1: Economic growth from agriculture and the natural resource base increased in selected areas and population groups*

The relationship between this DO and the Goal is straightforward: prosperity is derived from economic growth. A "prosperous country" implies however, that growth is broadly distributed as well. This DO will pursue that broad-based growth by working comprehensively in specific agricultural value chains, on projects that address nutrition and the vulnerable, and on the environmental aspects of two additional drivers of growth, the oil industry and ecotourism. Increased nutrition, the focus of intermediate result (IR) 1.2, is both an element of prosperity and a driver of increased growth and productivity. Interestingly, as discussed in the DO narrative, increased nutrition is less an effect of economic growth than is commonly expected. Our development hypothesis linking DO1 to the Goal is that if we increase broad-based economic growth by working in targeted areas of the agriculture sector, improve nutrition and livelihoods for the vulnerable, and focus on environmental aspects of two environmentally sensitive, high growth industries, we will accelerate prosperity in Uganda.

*DO2: Democracy and governance systems strengthened and made more accountable*

This DO will work in selected districts to improve political processes and increase civil society participation and advocacy, strengthen government service delivery systems, and mitigate

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conflict, particularly as it relates to land. The selected districts will be those where both the economic growth and health portfolios are working. This approach to geographic focusing is to maximize limited democracy and governance resources, increase the effectiveness of all three DOs, and make concrete the impact of more accountable governance in the lives of millions of Ugandans.

A more accountable and responsive government, based on the rule of law, a system of checks and balances, and free and fair electoral processes will lead to a more stable, democratic, and prosperous partner. The development hypothesis that links this DO to the CDCS Goal Statement is the one implied by the MSRP: if government is not accountable and responsive, it will be more difficult to achieve stability and prosperity. This DO will support the government and civil society to make accountable, responsive government in a number of districts.

### *DO3: Improved health and nutrition status in focus areas and population groups*

Our third DO will help the government and Ugandan private sector to tackle the heavy disease burden, malnutrition, and unmet need for family planning by improving health service delivery systems. Improved child literacy is an important IR as it has a causal relationship to achieving this DO and contributes to achievement of the other two DOs. A large part of the strategy will rely on strengthening the health systems that underlie service delivery performance.

Improved health and nutrition status for Ugandans is an important end in itself and, as stated in the FY 2012 MSRP, has implications for all components of the nation's development trajectory, including economic growth, responsible participation in the democratic process, and regional stability. This DO is linked to the CDCS Goal Statement as follows: if we strengthen health systems, we will improve health and nutrition service delivery; and, if we strengthen service delivery and the demand for these services, we will in turn improve health and nutrition status. Equitable, efficient health and nutrition services are an element of a "modern country" and improved health and nutrition status will accelerate achievement of prosperity.

### *SpO: Peace and security improved in Karamoja*

A special objective will contribute to a whole-of-government approach to mitigating conflict in the Karamoja region, a marginalized region in northeastern Uganda. This region is experiencing simmering conflict in the form of cattle raiding and counter-raiding. The conflict has both inter-ethnic aspects as well as aspects relating to the Karamajong people's relationship to state security forces. With other USG partners, this SpO will provide infrastructure and improved livelihoods, plus strengthen structures for peace and security necessary for development.

This SpO links to the Goal Statement in that internal conflict is an important pitfall that could decelerate Uganda's transition to a modern and prosperous country. By proactively working with the Government and other donors and USG partners to mitigate conflict and increase security, the country will avoid that pitfall and increase the prosperity of Karamoja. A major development hypothesis underlying the SpO is that peace and security are a necessary pre-condition for sustainable development.

This SpO will be supported by working with the FFP Office in Washington to transfer resources from Northern Uganda to Karamoja in the next Multi Year Assistance Program. The Program

Areas and Elements supporting the other three DOs above are detailed in the Resources and Priorities section of this document.

**Critical Assumptions and Risks**

As with any planning exercise, there are a number of unknowns that will affect the ability to achieve the objectives. For instance, there is a risk that development partners cannot fulfill commitments on which we have based our coordinated approach in a sector. An example of this risk would be if Global Fund does not provide anti-retroviral drugs for which we will be providing technical assistance. However, the following critical risks, very specific to this CDCS, could severely impact the strategy. We include what our planning assumptions were and what is being done to mitigate the risks.

**Risk: The February 2011 election provokes major internal strife on the scale of what happened in the Kenya election of 2008 (600 dead, 250,000 fled their homes).** Such an event would likely require a reexamination of DO2 and perhaps of the approaches in all DOs. Post currently believes such a scenario is unlikely, and is mitigating it through diplomatic efforts and USAID elections programs. Our planning assumption is that the election will fall somewhere on a scale of free and fair but will not provoke major strife.

**Risk: The government expands the number of districts in a significant way during the next five years.** As shown in Figure 2 and discussed in Development Challenges and Opportunities, the number of districts in Uganda has been expanding steadily over the past decade. Continued expansion would prove a public administration challenge and would greatly affect districts where USAID works, such as when a “selected district” is split into two. Our planning assumption is that while it is likely that continued expansion happens, historically it has happened around election time. The next Presidential election is in 2016, beyond the strategy period, and so our assumption is that the number of districts will remain stable for the medium term – nevertheless district expansion is an important risk for the sustainability of our interventions over the long term. We are mitigating this risk through diplomatic efforts and will outline a strategy under our CLA approach to handle measurement issues if it occurs.

**Risk: Cross-border conflict spills into Uganda from Sudan or Somalia.** Ugandan foreign policy is heavily engaged in the East African region to promote stability, as the risks of instability pouring into Uganda are significant. The impact could be an increased focus on humanitarian needs during the strategy period (e.g., refugees entering Uganda) and decreased funding and management time by USAID and the Government on the Strategy’s objectives. This risk is mitigated by USG 3D efforts (defense, diplomacy, and development) in the region and by monitoring of the situation by the Embassy’s Population, Refugees and Migration (PRM) Officer and USAID field office in Gulu in Northern Uganda. Our planning assumption is that some minor cross-border impacts will occur but not sufficient to affect achievement of the Strategy.

**Risk: Commodity prices (especially for coffee and maize) drop sharply or are highly volatile. Long-term drought or other weather-related calamity occurs in Uganda.** A major part of the strategy is focused on the agriculture sector. While commodity prices fluctuate, we are making some planning assumptions about their price when we have chosen to invest in specific value chains. We will mitigate this risk by promoting producer diversification and market information

systems. Weather patterns are varying from historical patterns and are more unpredictable due to climate change. Our planning assumption is that this will remain true for the strategy period, but that a major weather calamity will not befall the country. We are mitigating for this risk by programs, integrated with FTF that promote adaptation using Global Climate Change (GCC) initiative funding.

***Risk:*** Country instability increases due to an additional terror-related attack on Uganda. The July 11, 2010 terrorist bombings in Kampala showed that Uganda's role in the region places it on the front line. Additional attacks are possible and could potentially lead to increased instability in the country. The impact of such attacks and increased instability would be increased focus on the part of the GOU on short-term issues related to instability and lesser focus on the long-term development agenda. Operationally, security costs may increase for Mission operations and for implementing mechanisms and additional travel restrictions imposed. We are mitigating such a risk by the diplomatic dialogue on such issues created in the aftermath of the July attacks and by increased security precautions across the Embassy community. Our planning assumption is that additional attacks are quite possible, but that they would not create a level of instability to prevent achievement of the strategy.

A unique feature of this strategy is creation of a CLA function that will help ensure that this strategy avoids the "sit on the shelf" fate of many strategic exercises and remains a "living strategy." Development efforts yield more positive change more quickly if they are coordinated and collaborative, test promising new approaches in a continuous search for improvement, build on what works and eliminate what doesn't. CLA creates the conditions for development success by:

- facilitating collaboration internally and with external stakeholders
- feeding new learning, innovations, and performance information back into the strategy to inform project management, program design and funding allocations
- translating changing conditions, such as those identified in the risks mentioned above, into strategic and programmatic adjustments.

CLA is a multifaceted approach designed to exert a multiplier effect on the mission's development investments. More detail is provided in Section 8 on Monitoring and Evaluation and in Annex 2.

## 4. Development Objective #1: Economic Growth

***DOI: Economic growth from agriculture and the natural resource base expanded in selected areas and population groups***

### *Geographic Focusing*

Certain programs within this DO lend themselves to clear geographic targeting. Other elements will be focused on population groups, which, in turn will determine target areas within the country. This DO will likely engage in approximately 40-50 (of the 112) districts across the country with retail-level interventions. While economic opportunities and imperatives drive our interventions in agriculture, need and cost-effectiveness drive the locations of programs for vulnerable populations. In practice, these two sets of districts will overlap to a considerable extent. Where they do, the programs will feed off of one another when beneficiaries graduate from vulnerability to participating in the larger agricultural economy. The DO will also selectively intervene in areas that can have national impact such as policy reform, capacity building, and a focused research agenda.

Natural resource management activities will be tailored geographically as well. They will target the Albertine Rift – an area where the recent discovery of oil could have disastrous consequences on one of the most bio-diverse areas of the planet. They will also target Uganda’s protected areas, as prioritized by the GOU for eco-tourism, which are under tremendous pressure from a rapidly growing and underemployed population as they harvest trees for charcoal, or encroach in national parks for agriculture or livelihoods.

In terms of “selected populations”, the comprehensive approach to improving select value chains – coffee, maize and beans – will target producers and value chain actors of those commodities within the country. Special consideration will be given to women producers and value chain actors to ensure their access to higher levels of the value chain. Of course, impact is felt beyond growers, as a value chain starts on the farm and ends with a market for processing and trade.

### ***Details of IRs, Causal Logic, and Development Hypotheses***

***IR1.1 Socio-economic and nutritional status of vulnerable groups improved:*** The President’s Feed the Future Initiative prioritizes integrated approaches to reduce food insecurity. We know that increasing incomes, through enhanced agricultural productivity and efficiency, will not alone reduce food insecurity and may not have a significant impact on undernutrition. Household survey data across countries has regularly confirmed that income growth, even if uniformly distributed, has only modest impacts on undernutrition and Uganda-specific research has shown that “at a 5% rate of per capita income growth (substantially larger than the average for the last decade) it would take 33 years to reduce current underweight rates by half.” On the other hand, improved nutrition has impacts on mental development, learning, and productivity for the next generation; in other words, improved nutrition under this IR has a causal relationship to the Development Objective of increased economic growth. With these factors in mind, the Mission’s FTF strategy and the design of this DO will have components that integrate economic

growth and nutrition, targeting vulnerable households through community assessments and participation.

The transformation of economic growth into improved nutrition occurs most clearly at the household level. Building on lessons learned from previous integrated programs, USAID will implement a flagship program under this IR called Community Connector. Going beyond traditional interventions, it will place increased focus on the role of women in the household decision-making processes, especially regarding the use and distribution of resources. The program will also aim to reduce household vulnerability and improve a community's capacity to absorb income, environmental and household shocks. Many Ugandan households face risks to their production, income and consumption. This IR will integrate vulnerable households with the modern economy and transition them from subsistence production. The community will identify priorities for moving members along the continuum towards sustainable development. This effort will be multiplied by strategically implementing the Community Connector in geographic areas that allow for an overlay with other activities promoting improved production and nutrition in order to reinforce practice and behavior change.

The Community Connector also provides the opportunity to examine the interaction between nutrition, agriculture and gender programming approaches by incorporating rigorous monitoring and evaluation to generate valuable learning. The Gender Informed Nutrition and Agriculture (GINA) Program, funded by USAID/W and implemented by the Food Science and Technology Department of Makerere University, demonstrated, in one sub-region, that an integrated nutrition education, agricultural development initiative coupled with improved hygiene and food safety could reduce prevalence of underweight children, within a short time. But this was done at a very small scale and is one of a handful of studies that demonstrates the added value of integrated approaches. Creating a strong impact evaluation element in the Community Connector will allow our programs to contribute to the evidence base on integrated approaches and also test different models and approaches to determine best practices. Lessons learned will inform other FTF and relevant programs across the Mission and we will scale up those interventions that work. Community Connector will complement DO3 efforts in nutrition, social protection, and linkages to key services for vulnerable populations, funded by Orphans and Vulnerable Children U.S. President's Emergency Plan for AIDS Relief (PEPFAR) funding.

***IR 1.2 Increased incomes led by strategic value chains in selected populations:*** In the past, our agriculture programs supported interventions focused on productivity and marketing down to the grassroots level, striving to increase market efficiency. We built a strong client base, through farm demonstrations and organization strengthening. This led to effective working relationships with smallholder farmers, small- and medium-scale input suppliers, processors, traders, and policy makers. However, funding levels only allowed us to target specific links along the value chain, thus making the program's success dependent areas outside of its scope. As a focus FTF Mission, we have evaluated ongoing programs and reflected on priorities. The resulting vision was articulated in November's Inter-agency FTF Strategic Review: A comprehensive value chain approach focused on a strategic set of agriculture commodities.

The targeted commodities were chosen based on potential for impact on income, nutrition and food security going deeper throughout the value chain. It is an approach that links directly to GOU's DSIP. In contrast to our previous agriculture programs, FTF resources will enable us to have systemic impact on two or three vital commodities, by addressing key constraints throughout the chain (See Annex 5 for more details on the FTF Strategy):

- Value Chain Production and Market Linkages: The USG will invest in increasing production along the chosen value chains (maize, beans, and coffee), improving market linkages, expanding financial services supporting the agriculture sector, and supporting trade standards and systems;
- Policy and Enabling Environment: To improve doing business in the agriculture sector, we will support selected policy and enabling environment initiatives. Key, game-changing policies have been identified through consultations with the private sector, civil society and government stakeholders;
- Capacity Building: This effort will expand GOU capacity to collect, analyze, plan, monitor and evaluate effectiveness of investments in agriculture and nutrition. The project will strengthen key public and private sector institutions at the national and district level. We recognize the need for increased accountability and capacity of government to measure and deliver results;
- Agriculture Research: We will continue supporting private and public institutions performing research in crops vital to both food security and economic growth and trade. Combating disease to staple crops and developing breeds that improve yields of cash crops will contribute to this DO;
- Agro Input Supplies: This will develop the private sector agro-inputs market in Uganda with the goal of increasing quality, availability and use of agro-inputs;
- Producer Organization / Farm Level Aggregation Development Program: Focused on building the capacity of farmer groups, this activity will work to increase the benefits from wholesale purchase of inputs, access to finance and bulking, cleaning and processing farm products;
- Market Information Systems: Using information and communications technology innovations, the agricultural information base and dissemination systems will be enriched;
- Partnership Investment Development Fund: This fund will leverage private sector resources, ideas, and technologies for replicable, sustainable and scalable sector-wide impact.
- The Mission will use climate change adaptation funds to support the above activities when appropriate. For instance, our research activities will continue to support the development of drought-resistant varieties and help farmers learn coping techniques, and under our agricultural inputs activity help farmers to access products which assist in adjusting to changing conditions.
- In all of the above, we will strive for the inclusion of women farmers and women-owned enterprises as a way of assuring our programs are achieving a gender balance.

***IR 1.3 Resource base degradation mitigated to protect future value:*** Uganda's unique biodiversity sustains the overall eco-agricultural system and generates income from tourism and other uses. Under this IR, USAID will focus its resources on mitigating the effects of oil

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extraction and boosting eco-tourism, while continuing to support Ugandan government institutions to preserve the nation's valuable natural resources.

As discussed above, the recent discovery of vast oil reserves in the Albertine Rift region poses a major threat to much of its biodiversity. The human pressure ecologically sensitive oil development areas could have a crushing effect. The USG is united in its concern over the effects of oil discovery and production on the course of economic growth, governance implications of mismanagement and corruption, and the environment in the Rift Valley and helping Uganda to avoid the resource curse. A whole-of-government approach including State Department and its Energy Governance and Capacity Initiative, Treasury with on-site revenue advisors, and USAID focused on environmental implications under this IR will all be working on this game changing issue.

Upcoming analyses will synthesize climate change projections for the region and a Mission analysis of the likely impacts on the environment, biodiversity, water resources and agricultural production will have specific implications for USG programs (the 118/119 Report). These studies and reviews of current programs may lead to adjustments in strategic focus, particularly if industries dependent on environmental protection are more viable for support than eco-tourism.

The IRs discussed above are linked in a results framework that is based on several development hypotheses. First, if USAID invests in an integrated food security approach that includes both agriculture and nutrition interventions, the impact will be greater than an approach which only addresses one or the other. Moreover, if an integrated approach focuses on empowering women at the household level, the overall socio-economic conditions of the household stand a greater chance of improving. We believe these to be testable hypotheses and will use impact evaluations to inform programs as we move forward. Secondly, we have designed our programs in the agriculture sector around a comprehensive approach to value chain development. That is, if we intervene to comprehensively address the constraints of the value chain for a select number of commodities, the impact on incomes of the rural poor will be greater than an approach focused on a smaller segment of the chain for several commodities. A hard look at ongoing programs has led us to develop this hypothesis and a strong body of analysis has shaped our decision-making on which commodities we think will yield the largest impact. Likewise, if we target women and women-owned enterprises at the various levels of the value chain, we will ensure the economic empowerment of rural women, one of the goals of the FTF. Finally, our plans to help preserve the natural resource base follow two hypotheses. If stakeholders in oil development have timely and accurate information, engage in dialogue early and often, and collectively have adequate technical and institutional capacities, then the right decisions will be made to conserve the natural resource base. And, if the economic value of healthy ecosystems and the services they provide benefits local communities, then natural resource degradation will be mitigated.

## 5. Development Objective #2: Democracy and Governance

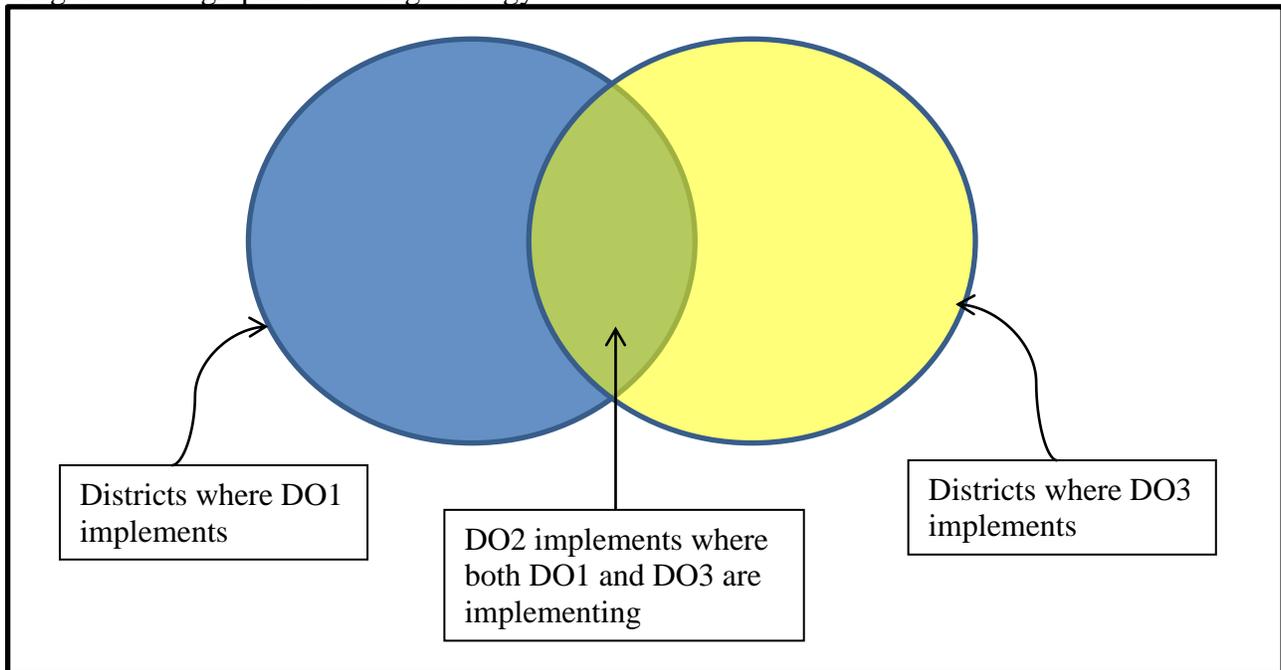
***DO2: Democracy and Governance systems strengthened and made more accountable.***

This section will detail our geographic focusing approach, the IRs, including their causal logic and development hypotheses, and a summary of what is different from the current portfolio (see Section 2 for full results framework).

### *Geographic Focusing*

The selected districts will be determined by looking at the geographic overlap between where our Health and our Economic Growth portfolio are working.

Figure 3: Geographic Focusing Strategy



This geographic targeting approach is based on the development hypothesis that development results for all three DOs will be improved when Health and Economic Growth projects work in the same places as Democracy and Governance projects. While the yardstick by which we will measure our achievement of this DO will be results in the selected districts, some work with national institutions, such as Parliament, will be necessary to achieve the DO. The target beneficiaries are the residents of the selected districts, but also local government staff and elected officials, specific national level officials (e.g., Members of Parliament for selected districts), and members of civil society organizations.

### **Details of IRs, Causal Logic, and Development Hypotheses**

***IR2.1: Political processes more accountable and participatory:*** Increased political space is essential to improving democratic governance and accountability. Under this IR, we will

implement activities to increase constructive engagement between communities and their government through civil society organizations, and relevant parliamentary committees and members of parliament in order for government to more effectively and transparently meet the needs of its constituencies at the local level.

Districts councils constitute themselves as legislative bodies, and thus key entry points for DO2 to bolster DO1 and DO3 programming to increase accountability and oversight. Activities will focus on local government procedures in areas such as, procurement and audit functions, tendering and contracts. Improvements in these processes will contribute to the national and district accountability structures which include the Public Accounts Committee at the district level and in Parliament, Office of the Auditor General, and the PPDA.

Advocacy through civil society will serve as a key component to holding government accountable. DO2 will broaden support for civil society and advocacy efforts to provide constructive oversight to local governments, in particular as it relates to transparency and accountability for public service delivery. This will entail capacity building of civil society organizations, including women's associations, community organizations and local Non-governmental Organization (NGOs). Specifically, DO2 will seek to promote advocacy for improved service delivery, in particular for sectors invested in by USAID. DO2's work will complement ongoing work of DO3 to strengthen advocacy efforts to improve service delivery.

As described above, continued assistance political and electoral processes and civic participation programming to contribute to this IR, will be re-examined in 2011 after Post conducts an evaluation and democracy and governance assessment. This CLA process will help us to examine and make adjustments as needed.

***IR2.2: Enabling environment improved for service delivery:*** Under this IR, we will provide assistance to LGs to strengthen a foundation for improved service delivery. We will work with LGs to improve transparency in budgeting and planning, support improved accountability in procurement, contracting and financial management processes and procedures and strengthen land management and administration. This IR will coordinate programming at the local level with other USAID activities supporting improved and more transparent delivery of health, education and agriculture services.

As mentioned above, LGs currently lack substantial resource generation mechanisms; however, they are mandated to develop and submit budgets to the national level and to provide services at the local level. Working with districts and lower LGs on the budget and planning process, we will work with communities to advocate and participate in the planning and budgeting processes to fund health, education and agriculture priorities. To enhance civic oversight, DO2 will build capacity and support civil society to carry out public expenditure tracking of funds in specific sector programs, for e.g. NAADS in the agriculture sector.

Finally, supporting IR2.3, this IR will provide support to enhance the enabling environment for land management and administration, such as by strengthening district land boards and increasing awareness of land rights. These interventions will work with DO3 to ensure

interventions are coordinated and complement DO1 and DO3's support for empowering women and vulnerable households on access, control and ownership rights to land regarding agriculture.

***IR2.3: Peace building and conflict mitigation strengthened:*** This IR will address conflict mitigation through programming aimed at reducing conflict triggered by land, ethnic and cultural diversity, oil, and by promoting peace gains in the LRA affected area. Particular focus will be on strengthening peaceful resolution of land conflict in selected districts. Expected results include: 1) accountable and accessible institutions for land administration and dispute resolution; 2) strengthened land management administration; 3) strengthened coordination between administrative land management units; local council courts and Magistrate courts, and traditional land dispute resolution mechanisms; and 4) an increased level of awareness on land rights alongside awareness of redress for land conflict.

The results framework for this DO is based on three development hypotheses. First, if USAID supports Government of Uganda and non-government led efforts to improve democratic governance and accountability, service delivery will be more equitable and efficient. By building the capacities of Uganda's local governments and increasing political space at the local level (through IRs 2.1 and 2.2), USAID will support Uganda to plan for development more efficiently, implement rules, regulations and policies more effectively and plan better for the delivery of services. Activities under these IRs will promote civil society participation in order to increase transparency and accountability of leaders, civil servants and legislators, and promote dialogue and consensus building in order to make citizens active and informed stakeholders in the governance process.

Secondly, in many districts in Uganda, building the capacities of Uganda's local governments and increasing political space at the local level are necessary but not sufficient conditions for strengthened systems. Conflict, in a variety of forms, but most particularly related to land, threatens to overtake incremental improvements in democratic governance processes. Two development hypotheses underlie IR2.3: 1) if USAID supports improved capacity for effective planning for peace and recovery, then the transition to development will occur more quickly so that peace dividends can be realized and 2) if USAID supports effective peace and reconciliation processes, such as mechanisms to deal with land disputes, it will reduce the causes and consequences of conflict. Lastly, in combination with DO1 and the FTF team, we hypothesize that increasing women's access to land will increase economic growth.

## 6. Development Objective #3: Health and Nutrition

*DO: Improved health and nutrition status in focus areas and population groups.*

### *Geographic Focusing*

DO3 geographic focus areas will be determined by a set of health and nutrition indicators but will also look for synergies across DOs. Specific criteria include 1) area of heaviest disease burden, 2) chronic malnutrition incidence, 3) coordination with GOU and other donors and potential for the USG to leverage its comparative advantages, and 4) areas that overlay with DO2 and DO1 activities (see Figure 3). Support to the central level will be focused on those policies, institutions and structures that are critical to well-functioning health systems. DO3 will focus on women, children and their families, and will make a significant impact within key population groups, such as women currently without access to family planning, HIV positive pregnant women, people living with HIV/AIDS and their immediate families, most at risk populations, children in primary and secondary school, children under five, vulnerable children and their families, as well as populations affected by malnutrition, malaria, and tuberculosis.

### **Details of IRs, Causal Logic, and Development Hypotheses**

The Results Framework for DO3 reflects the complex relationship between our efforts to reduce the disease burden and malnutrition and provide access to family planning options through health interventions and health service system strengthening. Our approach will address the constraints on decision-making encountered by women in their households. DO3's development hypothesis is based on the understanding that structurally sound, functioning health systems and quality service delivery that is both available and accessible to Ugandans is essential to effective use of health services, which in turn will lead to improved health outcomes of Ugandans. Strengthened health systems serve as the foundation for these efforts.

Initiatives to strengthen such systems are important to ensure that health systems gradually develop and sustain higher absorption capacity for scaling up quality, evidence based, proven and high impact interventions which will lead to improved health outcomes. Strong health systems will further facilitate efforts to improve the quality of care as well as increase access to and availability of services and commodities. By ensuring that quality health services and commodities are available and accessible to those who need them (including vulnerable groups such as women, children and poorest of the poor), and by improving the demand for health services through improved literacy, information, behavior change, communication, and advocacy, it is expected that appropriate use of services will improve and that people will not wait until it is too late to receive preventative or curative services.

***IR 3.1: More effective use of sustainable health services:*** This top level IR summarizes the meeting point of four sub results. To achieve this result, health seeking behavior coupled with services that are available, accessible and of quality must exist. Our underlying hypothesis is that effective use of sustainable health services – using services when appropriate - will result in improved health outcomes. Below is an explanation of the different intermediate results our DO considers.

***IR 3.1.1 Health seeking behavior increased:*** This IR seeks to promote health seeking behavior, which is an individual's or community's ability to make 'healthy choices' in either their lifestyle behaviors or their use of health care and treatment that will positively impact their health. Positive health seeking behaviors occur at individual, family and community levels, such as practicing good hygiene, seeking health services from a health facility or buying condoms from a local distributor. USAID will continue to support critical approaches including health education, behavior change communication, and addressing underlying social and cultural norms which are used to help individuals, families and communities to develop a sense of responsibility for good health seeking behaviors.

***IR 3.1.2: Improved quality of health services:*** A second result that our strategy aims to achieve is improved quality of health services. A basic hypothesis behind this IR is that quality (e.g., quality pharmaceuticals, correct diagnosis or consistent messaging) is necessary to effectively prevent and treat disease and promote healthy behaviors. Quality for clinical and preventive services must be perceived by patients to exist throughout the service delivery system in order to decide that it is worth their time to receive services. Through this IR, we will work to build GOU, private sector, and civil society's ability to provide quality services by promoting and adhering to standards, procedures and norms for services as well as behavior change approaches. Activities will strengthen quality control and quality assurance systems from the national to the beneficiary level. Accreditation of public and private sector health facilities and private sector franchising will be a key area of focus.

***IR 3.1.3: Increased availability of health services:*** A third essential result is availability of required health services – prevention, treatment or rehabilitation. Services may be delivered in the home, the community, the workplace/institutions or in health facilities. This IR entails targeted programs to increase the availability of services provided by public and private sector – both for profit and not for profit. There are a number of dimensions to availability such as readiness of preventive and curative health services to satisfy the need of the population, stocks of medicines, other essential commodities regularly on hand, positions filled with qualified staff, and appropriate and functional equipment. With extreme challenges with absenteeism and unfilled vacancies, availability of service is a major constraint. This IR will focus on increasing the availability of services at all levels. This result will also work collaboratively with the GOU, the World Bank and International Finance Corporation to expand access to financing for private sector facilities through development credit authorities and technical assistance.

***IR 3.1.4: Increased accessibility of health services:*** A fourth critical result necessary to achieve our DO is the ease and ability to access health services and commodities. Accessibility refers to geographic, financial, social and cultural accessibility, which is determined by how easily the client can utilize the services. Our efforts to achieve this result will build public health sector capacity to foster customer friendly policies that focus on youth and gender. Linked closely with increased health seeking behavior, this IR will also address socio-cultural factors such as gender roles, which create barriers for women to access services such as contraceptives. With the recognition that Uganda has a very strong and vibrant private sector, coupled with the fact that the public health sector cannot and should not meet the needs of the entire population, DO3 will support expanded access to key health services through the private sector. Financial accessibility will be addressed by reducing financial barriers associated with service such as cash vouchers

targeted at women from poor households for maternal deliveries at health facilities and comprehensive family planning services.

In addition to the IRs described above, four lower level results will all serve as essential building blocks to achieve DO3.

***IR 3.1.1.1: Improved literacy:*** Given the fundamental role that education plays in the demand for health services, and the foundation that it lays for the sustainability of all three of our DOs, the mission will strategically refocus education resources to support early grade literacy as the basis for girls' and boys' success and retention in school, and for the multitude of health and other socio-economic benefits demonstrated to follow from girls' education. Research conclusively links girls' education to reduced fertility rates, lower infant and child mortality rates, lower maternal mortality rates, improved nutrition, protection against HIV/AIDS infection, reduced rates of early marriage, increased women's labor force participation rates and earnings, increased political participation, and an upward spiral of intergenerational education benefits. Under this IR, we will work with the Ministry of Education and Sports to ensure that students consolidate reading skills by the end of Grade 4.

***IR 3.1.2.1: Increased availability of resources for health care:*** This IR recognizes that human and financial resources and health commodities are essential to sustain health service provision. Under this IR, we will focus on recruitment, retention and motivation of health workers in public and private not for profit (PNFP) sectors so that there are sufficient numbers and mix of staff, fairly distributed; they are competent, responsive and productive. Interventions will also strengthen GOU and PNFP financial systems to ensure that efficiencies are improved; and strengthen procurement and supply chain systems to ensure that essential medical products, vaccines and technologies of assured quality, safety, efficacy and cost-effectiveness are available for service delivery. Moreover this IR contributes to the reduction of out of pocket expenditure by poor households and thus increased protection from financial catastrophe or impoverishment associated with. Finally, under this IR we will work with other development partners to sustain support for the health sector, which continues to have a critical need for donor coordination and support.

***IR 3.1.3.1: Enhanced enabling environment for health care:*** This result will work at multiple levels of the system and involves ensuring strategic policy frameworks exist and are combined with effective oversight, coalition building, regulation, attention to system-design and accountability. In a decentralized health system, it is an important area to consider who makes decisions and how much choice they have over different functional issues of health systems. The effectiveness of decentralized service delivery will be strongly influenced by the actual range of choice allowed to local decision makers as well as their capacities to make good decisions, the funding available for implementing programs, the local administrative capacity for implementation, and the degree of accountability they have to both national government and to their local populations. In addition to the service delivery units of public and private sectors, we will also work to build leadership capacity of local NGOs and build advocacy groups at the district level. Recognizing the importance of continued monitoring and evaluation (M&E) of interventions and their effects on policy and development outcomes, other activities will focus on M&E and research. Support from the GOU, donor community, and private sector and

investment in the new national policy on public private partnerships will be essential condition for this IR. Finally, this IR will work with DO2 to strengthen governance at the local government level and community advocacy to better support decentralized service delivery.

***IR 3.1.4.1: Improved organization and management:*** Based on the assumption that basic organization of health service delivery network and appropriate management structures must function properly to deliver services, this IR will include efforts to promote efficient organization of the whole network, public and private; the package of services (personal, non-personal); their supply; functioning referral systems; the responsibilities of and linkages between different levels and types of health facilities including hospitals; the suitability of different delivery models for a specific setting; and the repercussions of changes in one group of providers on other groups and functions (e.g. on staff supervision or information flows). At the local level, it will increase the management capacity of local government and private providers to maximize service coverage, quality and safety, and minimize waste. Supervision and other performance incentives are key areas of focus. With a long standing portfolio supporting the technical and organizational development of local NGOs , emphasis will help these organizations incorporate and appreciate the value of commercial practices and standard business process to support their organizations to stay sound, accelerate, and sustain.

## 7. Special Objective One – Karamoja

### *Background and Rationale*

Uganda's border with Kenya to the east exists within a region traditionally dominated by nomadic pastoralists. Chronically insecure in terms of food, under-served by government services, and vulnerable to cross-border incursions by livestock thieves, the Karamoja region of Uganda continues to pose a security risk for the country as a whole, and for the newly peaceful north in particular. Not only will improvements in the welfare of the local peoples in the region be difficult to achieve without improved security and a reduction in conflict, continued stabilization and improved governance in the north of Uganda could be at risk.

### *The IRs and Development Hypothesis*

To address this situation, USAID proposes a unique experimental program – one that will be driven by strategic re-allocations of FFP resources, from their current location in Northern Uganda to the east in Karamoja, and strong coordination between USAID, the Embassy (INL), and AFRICOM, especially Combined Joint Task Force, Horn of Africa (CJTF-HOA). This whole-of-government special objective will implement carefully targeted interventions designed to promote improved livelihood options, reductions in cross-border tensions, and development of key institutions designed to improve the overall stability and peace in the region. Our funds are modest compared to the need; we will therefore work closely with the GOU and other donors under the Government's Karamoja Integrated Disarmament and Development Plan (KIDDP) and the PRDP for Northern Uganda. Our special objective will add value to those plans by helping test and then promote several approaches and model interventions which could have a major impact if adopted more broadly.

### *Geographic Focusing*

While the program's impact is not limited to any one portion of the Karamoja Region, our direct funding of necessity will be focused and concentrated to ensure the deepest impact, and the development of realistic models which can be rolled out more broadly. Other approaches – such as spreading our resources thinly over the entire region, or focusing in on only one sectoral topic – were deemed to be either ineffective or too narrow.

We will closely track the impact of this SpO through the CLA; we expect to learn as the program evolves as to which intervention is most effective, and may amend the SpO over time; we will also work closely with all other actors in the region, including the World Bank and the GOU to see if other interventions not tested by this Objective might in fact be worth emphasizing.

The Mission believes that this is a unique experiment for USAID; using FFP resources strategically both to meet urgent food security needs in the short term while trying to address with the monetization of these resources some of the key factors hindering peace and stability in Karamoja. For this reason, we would propose that this SpO be included in the PPL/LER Evaluation Agenda, so that lessons learned of utility beyond Uganda can be learned.

***IR4.1: Infrastructure and livelihoods options improved:*** This IR would focus on factors affecting the welfare of peoples in the region. A major policy constraint is the lack of a policy for pastoralism. The donors are working with the Government to create a policy that recognizes

the strength of pastoralism in terms of ecological benefits and respect for traditional culture; USAID participates in that effort. Under this IR, USAID would support a UNDP program that provides local district development grants using host country systems and, working with Civil Affairs counterparts from CJTF-HOA, would locate and build water catchments that would serve as watering points for livestock between different clans, thus promoting peace as well as providing the infrastructure for livelihoods. Our program would also collaborate with WFP to complement their food for work activities and move people to sustainable livelihoods.

***IR4.2: Structures for peace and security strengthened:*** This IR will directly address the security and stability concerns of the region – a necessary counterpart to USAID’s focus in IR4.1. Over the course of the five years, the SpO, in conjunction with other actors, will strengthen the ability of the Uganda People's Defence Force (UPDF) to be a trusted and effective stabilization partner, while maintaining security in the region. At the same time local civilian governmental systems, including police, will be strengthened, extended and improved so that services supportive of the overall Objective can be provided to the highly dispersed population of the region. We will rely on INL colleagues to fund police training and DOD 1207 funding to build police stations and other inputs. CJTF-HOA Civil Affairs teams will be the principal interface with the UPDF to find ways to have soldiers and civilians interact in positive ways such as through veterinary clinics for livestock (known as VETCAPs). A longer-term goal will be to replace the UPDF with the police, who surveys have shown to be a more trusted governmental representative.

A key development hypothesis is that sustainable development is not possible without peace and security. A second hypothesis is that if various branches of the USG work together under a unified strategy, we will be much more successful in bringing peace and stability to Karamoja than if these USG entities operated independently of each other. To undertake this SpO, the Mission will request concurrence from USAID/W to redirect FFP resources now targeted to the North, where the need has been reduced through the successful strengthening of agriculture in that region, to Karamoja. In terms of management, USAID will redirect its innovative field office team based in Gulu to the Karamoja region to provide the oversight they already have been providing to our Northern Uganda Program.

## 8. Monitoring and Evaluation

### Overview and Rationale for M&E Approach

Traditionally, M&E, is a tool for tracking results and progress towards program and project objectives. It encompasses the systems, staff, and indicators by which performance will be measured and changes in implementation context will be recognized. M&E activities work primarily, but not solely, to improve project and program management and ensure accountability. Yet, without a dynamic dimension to M&E that allows for learning, adaptation and innovation, little value is added from simply tracking indicators, which alone will not lead us to achieve our objectives. As such, the Mission has committed to a CLA model in this strategy that we believe creates the conditions for development success. This model will ensure that the CDCS works as a “living strategy,” providing guidance and reference points not only for implementation but also for learning and course correction as needed.

As described in more detail in Annex 2, the guiding principle of CLA is the continuous assessment and adjustment of DO-defined causal pathways. The ultimate goal is increasingly effective courses of action at all levels of the Results Framework. M&E provides this process with key information. CLA adds innovative learning approaches and continuous consultations with stakeholders to the information provided by M&E to position the Mission to be proactive and able to learn from missteps prior to a project’s end. M&E is a subset of the larger concept of CLA. M&E findings are key inputs to learning activities, serve as sentinels to changes in context which stakeholders may need to address, and allow systematic testing of key hypotheses and questions. It will be important to forge a productive relationship between M&E and CLA activities without reducing the latter to merely a function of the former. It is also important to avoid inhibiting candid knowledge sharing, by adopting an accountability approach where the more conducive approach to learning emphasizes analysis and problem solving.

Dynamic M&E contributes to the CLA function in the following ways:

#### Coordinating and Collaborating

- Use GIS and other technology to map activities aligned with USG development objectives, establishing a central repository of relevant information and overlaying key data sets on agriculture, health, etc.

#### Learning

- Identify gaps in quality and availability of data needed to improve implementation, assess impact, and inform program and strategic adjustments
- Serve as a vital component of program-level evaluations and strategically targeted impact evaluations
- Provide knowledge centers within the Mission, among partners and alongside donors to improve the sharing of key data that informs implementation and partnerships

#### Adapting

- Serve as the evidence base for supporting testable hypotheses throughout the CDCS Results Framework – an individual hypothesis must have clearly defined baseline and target data to support assumptions, risks and conclusions drawn which inform evolving programs

Uganda is a focus country of several priority programs and initiatives, notably the Global Health Initiative and the Feed the Future Initiative. Our M&E systems and objectives will align with the increasingly evidence-based and adaptation focus. For example, the Mission's FTF strategy builds its M&E plan around increasing methodological rigor to increase accountability and testing concrete hypotheses. We will do this through a four-pronged approach: improved data quality, increased use of baselines, focused and sensible targeting, and use of impact evaluations to build a validated evidence base. Increased use of baselines, testing and impact assessments will allow us to account for our contribution towards improved outcomes. Where we have evidence of our contribution and whether or not development hypotheses were correct, the Mission's CLA function will provide a means to make adjustments during implementation of individual programs and components of the CDCS (see also Annexes 2 on CLA, and 4 on Procurement).

**High-level Indicators and evaluation questions by Development Objective**

***Portfolio-wide evaluation questions:***

- Do we achieve greater development results for DO1, DO2, and DO3 when all three programs are present in the same district as compared to places where the DO operates in isolation?
- What are the obstacles to coordination and increasing results when the DOs operate in the same district?

***DO1: Economic growth from agriculture and the natural resource base increased in selected areas and population groups***

Indicators to monitor changes in country context:

- Prevalence of Poverty: Percent of people living on less than \$1.25/day
- Expenditures of rural households
- Prevalence of stunted children under five
- Change in average score on Household Hunger index
- Percent of children 6-23 months that received a Minimum Acceptable Diet

Performance indicators:

- Percent growth in agricultural GDP (for select commodities)
- Percent change in value of intra-regional exports of targeted agricultural commodities as a result of USG assistance
- Post harvest losses as a percentage of overall harvest, for selected commodities
- Value of new private sector investment in the agriculture sector or food chain leveraged by FTF implementation
- Capacity of relevant national statistical office to collect high-quality agricultural data
- Number of hectares in areas of biological significance under improved management as a result of USG assistance
- Percentage change in tourism revenue from targeted ecosystems as a result of USG intervention.

Evaluation questions:

- Is our impact on food security greater in the places where we have both nutrition and agriculture interventions as compared to places where we only have one of these programs?
- Is our impact on the incomes of the rural poor greater with a comprehensive approach to value chain development for only a few commodities as opposed to an approach focused on a smaller segment of the chain for several commodities?

***DO2: Democracy and governance systems strengthened and made more accountable in selected districts***

Indicators to monitor changes in country context:

- Transparency International Corruption Perception Index
- Relative and absolute scores on MCC index indicators for Ruling Justly

Performance indicators:

- Public's satisfaction with local government performance and service delivery as measured by survey. Indicator could be measured against results done in non-USG supported areas and nationally.
- Percentage of citizens who participate in public hearings on policy and budget issues
- Number of USG supported Civil Society Organizations (CSOs) engaged in public expenditure tracking compared to CSOs in non-USG supported districts.
- Percentage of targeted districts/sub-counties with effective planning and budgeting
- Percentage of target population with a basic knowledge of land rights

Evaluation questions:

- Do improvements to democratic processes and increased civil society involvement in our selected districts translate into on-the-ground improvements in service delivery?
- Do mechanisms to deal with land disputes result in less conflict compared to places without such mechanisms?
- How has political processes and civic participation programming contributed to Uganda's transition to multi-party democracy?
- How has political and electoral processes and civic participation programming been coordinated and leveraged against other democracy sector donor resources?

***DO3: Improved health and nutrition status in focus areas and population groups***

Indicators to monitor changes in country context:

- Under-5 mortality rate
- Percentage of children underweight
- Percentage of children stunted
- Percentage of children wasted
- Contraceptive prevalence rate
- Percentage of Service Delivery Points complying with national standards

## Working Extract

- Literacy Proficiency

### Performance indicators:

- HIV prevalence in target most at risk populations
- TB treatment success rate in USAID-supported facilities
- Total fertility rate in USAID focus areas
- Percentage of women with anemia
- Percentage of approved posts filled by qualified health workers in USAID-supported districts
- Number of OVCs receiving care and support services in USG-supported sites
- Percentage of USAID Service Delivery Points offering modern Contraceptive Methods
- Number of HIV+ individuals accessing palliative care in USG-supported sites

### Evaluation questions:

- Does increased availability of service (staff are present, waiting times not excessive) increase the demand for services?
- What is the most important constraint in reaching IR 3.1: quality, availability, or accessibility and how does that vary by geographic location?

### ***SpO1: Peace and Security Improved in Karamoja***

### Performance indicators:

- Nutrition status
- Percentage of population below poverty line
- Incidence of conflict by type

### Evaluation questions:

- Do water catchments shared by rival clans as watering holes result in decreased conflict between those groups?
- Can development (as measured by nutrition and poverty indicators) work in a dynamic, conflict prone environment like Karamoja?

## **ANNEX 2: Collaborating Learning and Adapting**

Development efforts yield more positive change more quickly if they are coordinated and collaborative, test promising new approaches in a continuous search for improvement, and build on what works and eliminate what doesn't.

Creating the conditions for development success will be the focus of the Collaborating, Learning and Adapting (CLA) function. This function, and the team that drives it, will ensure that the CDCS works as a “living strategy,” providing guidance and reference points not only for implementation but also for learning and course correction as needed.

Increasing coordination of efforts within USAID, among its implementing partners, and with other donors and Government of Uganda (GOU) counterparts will help to reduce duplication of efforts, eliminate working at cross-purposes, and provide a focal point to coordinate efforts to achieve the development objectives articulated in the CDCS. Coordination and synchrony can be aided by basic information management, including the mission's geographic information system (GIS) data mapping project, as well as through facilitation of more collaborative relationships among actors engaged in high-priority activities.

The CLA function will:

- ensure coordination among USG agencies, partners, and stakeholders by managing the PMP and conducting one of the two portfolio reviews held annually with the participation of all of these stakeholders (the second semi-annual portfolio review will focus internally within the USG at the project level)
- strengthen the evidence basis on which decisions about development assistance are made, and ensure that experience and observations inform program decisions
- facilitate adaptation of activities to changing conditions and new learning about what works and what does not.

Coordinating and Collaborating – the CLA team will lead activities to:

- map the activities of USG and of stakeholders in USG development assistance (other USG agencies, implementing partners, GOU, other donors, civil society representatives) and establish a central repository of relevant information about their activities; use GIS technology to overlay key data sets on agriculture, health, etc.
- identify opportunities for further collaboration based on mutual interest among donors, joint efforts among implementing partners, and strategic learning opportunities among thought leaders
- pilot test approaches to enhance collaboration among partners whose philosophical and practical differences threaten to undermine the synergies that could be gained by coordinating their efforts

## Working Extract

- increase tacit knowledge exchange and strategic and program continuity through a robust capture-and-convey process, led by FSNs, to include recording exit interviews with departing USG staff and implementing partners, and conducting intensive in-briefings with arriving staff and partners to ensure that country, agency and program history and context are captured and shared

### Learning – CLA activities will:

- facilitate constructive dialogue (e.g., USAID development hypotheses, “game changer” issues and program foci) to improve the quality and substance of discourse and to validate the direction of USAID development assistance, or elicit suggestions for changes to that direction. Institutionalize periodic/iterative consultations and collective analyses with various stakeholders. Use these “big picture” public discussions of key issues to compare expected outcomes against observations to determine progress along the pathways to change, where refinements to planned interventions are needed, where opportunities for cross-sectoral coordination and synergies are emerging, etc.
- for each of the game changers, facilitate preparation of an Assessment, Surveillance and Response (ASR) Plan to track early indicators of shifts that signal the need to adjust strategy or program direction; share findings in the “big picture” reflections and through donor working groups to inform coordinated development assistance efforts
- test selected development hypotheses (e.g., the hypothesis that concentrating the activities of all three development objectives in targeted geographic areas will yield improved development results)
- identify critical knowledge gaps and fill them with existing resources, or commission new research/syntheses where necessary (topics could include the climate change impacts on key crops and implications for agriculture-led economic growth projects; and unanticipated negative consequences for children’s nutrition status and women’s authority in household decision making of our proposed value chain programs that concentrate on male-controlled cash crops)
- improve the M&E process (from data collection and analysis to the use of M&E findings to improve implementation); conduct program-level evaluations and strategically targeted impact assessments
- identify opportunities to pilot test innovative approaches (such as facilitation to improve collaboration among disparate implementing partners in target areas)
- work with partners and other stakeholders to capture and share tacit knowledge based on experience and observation (e.g., experiential knowledge of how best to work with local government)

## Working Extract

Adapting –To facilitate adaptation of assistance efforts to new learning and changing conditions, CLA will:

- engage partners and other stakeholders in periodic, candid “big picture” reflection on the USG program to validate strategy and implementation; jointly define a pathway to change and each actor’s/activity’s role in it; analyze unanticipated developments and articulate necessary course corrections; refine their vision for the future of Uganda; and better understand their role in the broader landscape of USG development assistance, so as to be better able to identify opportunities for collaboration, knowledge sharing and peer-to-peer assistance
- create and institutionalize a culture among USAID program and project managers, implementers and stakeholders that is conducive to learning, in which incentives are aligned with learning objectives and people are rewarded for approaching challenges by working together to analyze them candidly and seeking to solve problems rather than lay blame

The central function of the CLA is to ensure that progress toward development objectives is guided by analysis of a wide variety of information sources and knowledge: M&E data, innovations and new learning that bring to light new best practices or call into question received wisdom, collected observations from those who have particularly deep or unique insight in a given area, and so on. The intent is to ensure that the causal pathway to desired outcomes is continuously assessed and adjusted to yield the most effective course of action. In rare cases, the objectives themselves may need revision, as when broader country conditions shift significantly (such as those identified on page 17, under Critical Risks and Assumptions), or USAID priorities do, or critical evidence becomes available that suggests that a major strategic shift is necessary. Typically, however, development objectives will remain constant, and changes will take place at the level of implementation. The CLA process is meant to inform decisions at all levels, but is not meant to supplant the Mission Director’s discretion in strategic decisions.

The CLA effort will engage most staff and partners in some capacity, as learning and planning are widely shared responsibilities. The function will be led by a CLA Advisor, M&E Program Specialist and GIS Specialist all housed in the Program Office., a gender & youth liaison, and subject matter liaisons (SMLs) representing technical areas in each of the USG agencies and for each of the game changer issues. The CLA team will manage the PMP, and will engage a wide range of stakeholders in development assistance to ensure:

- that interventions are coordinated and complementary
- that stakeholders collaborate effectively to achieve programmatic synergies, by sharing information and knowledge, and working together to validate development hypotheses so as to make the necessary, timely course corrections in both strategy and implementation

## Working Extract

- that stakeholders make best use of available knowledge resources, and contribute to those resources through accurate M&E and through sharing their observations and experiential know-how
- and that they work in concert to analyze program implications and apply relevant learning to the pressing problems facing Uganda and its people.

## **ANNEX 4: USAID Uganda Procurement Improvement Plan**

USAID Uganda's Procurement Improvement Plan consists of implementing and complementing the objectives of the USAID Implementation and Procurement Reform (IPR) agenda. Table 1 summarizes the USAID Uganda Procurement Plan, including current achievements with respect to Agency goals and our mission-level goals and targets for the future. Behind our Procurement Improvement Plan, beyond simply establishing goals and targets, is a philosophy based on the principles of aid effectiveness, internal capacity building, and Collaboration, Learning and Adapting (CLA, described further in Annex 2).

### **Aid Effectiveness Context**

The USAID Uganda Procurement Improvement Plan recognizes that the IPR Agenda is based on the aid effectiveness principles endorsed by the U.S. Government in the Paris Declaration and the Accra Accord. In some areas, such as using host-country systems, ensuring measured results and instilling mutual accountability, we find that Ugandan government, local non-government, and local private sector do not have the capacity or systems for us to rely even moderately on their capability. However, as we discovered during the CDCS process, our Acquisition and Assistance processes at the mission level were not sufficiently sophisticated to deliver the kind of capacity building to the host country that is needed to implement aid effectiveness. The Procurement Improvement Plan is a structured way to strengthen our own abilities to implement more assistance under aid effectiveness principles.

### **Internal Capacity Building: Hey, How About Our Capacity?**

While our focus is rightly on building the capacity of the host country government and local organizations, the CDCS process and IPR agenda have caused us to look at our own internal capability, particularly in the Acquisition and Assistance Office. Our internal assessment showed a few weaknesses.

In FY 09 and FY10 we were able to pursue several innovations and improvements, such as Non Project Assistance (NPA), Award Fee contracting and Federal certification of Acquisition personnel, but we do not yet have sufficient experience with these new approaches to institutionalize them. In other cases we used 'workarounds' to engage using the principles of Aid Effectiveness where regulations, policy or simple risk aversion obstructed our ability to work more directly (see "USAID Uganda's Current Innovations and Improvements in Procurement" section below for more detail). Although some of the restrictions which limited our ability to implement aid effectiveness have been removed, we still don't have a capability to implement the principles more directly (such as Donor-to-Donor instruments).

For our USAID Uganda Procurement Improvement Plan, we see FY11 as the year of Collaboration, Learning and Adapting (CLA), with goals focused on consolidating our capabilities where we have innovated and learned, establishing new capabilities where we have needs and knowledge but no ability, and seeking new approaches where program objectives are being limited by A&A lack of capability. Our goals for FY11 are designed for exploring new approaches on a limited scale, learning as we try these new approaches, modifying or changing our methodology based on our learning, then standardizing (institutionalizing) the results so that we can take these new approaches to scale in FY12 and 13.

## Working Extract

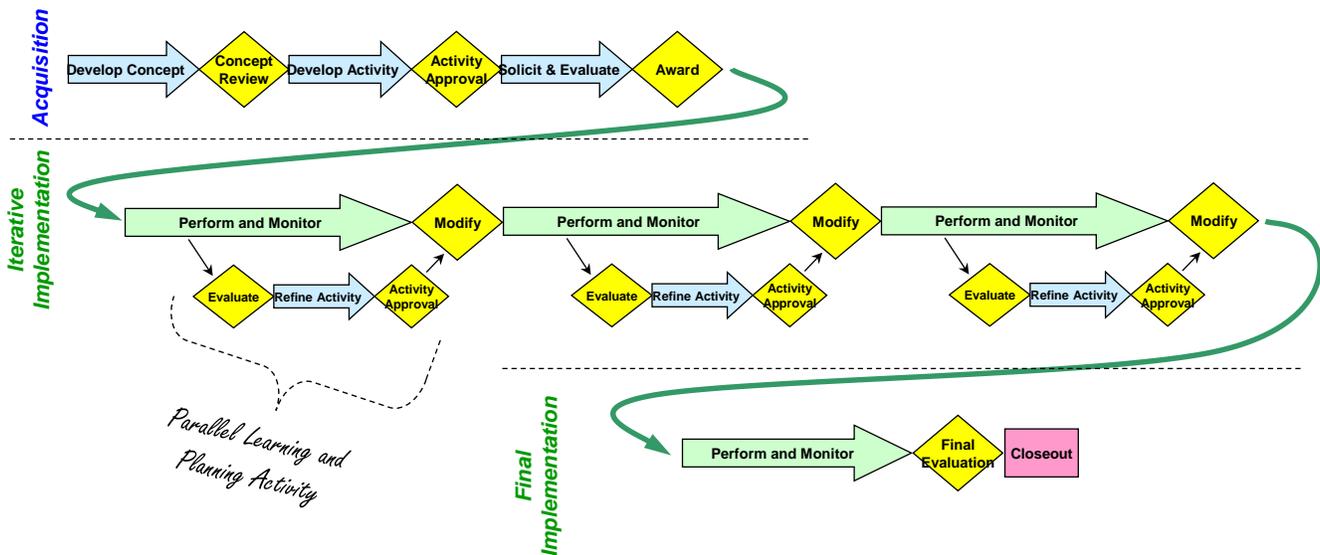
### *Collaboration, Learning and Adapting using Evolutionary Acquisition*

The concept of CLA is not only being adopted to improve the effectiveness of strategy implementation, it is also being built into our instruments and programs. CLA is a great idea—enlist USAID staff, partners and other stakeholders in collaborating and learning to continuously evaluate and adapt their programs in order to improve progress toward the outcome—but puts special demands on procurement that need to be addressed for CLA to work.

In the past we have used flexible approaches in designing instruments – Cost Plus Fixed Fee contracts and Cooperative Agreements with wide scopes, malleable budgets and reimbursable cost structures. Even in our contracts, results are often “illustrative” at time of award. This is because we can’t design a five-year activity with sufficient fidelity to take into account the myriad of factors that affect our development programs over the course of time. So over the years our instruments have become more and more flexible to avoid entangling modifications and bureaucratic justification that derail performance. “Flexible” is like a wide open plane, we can travel anywhere on that plane that we may need to go.

We are looking at making our instruments more agile – targeted for very specific outcomes, but with the ability to modify and redirect continuously based on the feedback we receive from the CLA process. “Agile” is like a vector – an arrow with specific direction and magnitude. But the magnitude is short and we deliberately plan to set a new vector to change direction during the course of performance. This concept is known as Evolutionary Acquisition, a performance-based construct, and is all about adapting procurement to the strategic feedback CLA is designed to provide. Evolutionary Acquisition allows the Mission to adapt the instrument to changes in the program at deliberate milestones. In traditional acquisition planning, the planning phase ends at award. In Evolutionary Acquisition, acquisition planning continues throughout performance and ends at closeout, giving us more precision, specific adaptability, and better focus throughout the entire program life. We’ll be trying Evolutionary Acquisition methodology during FY11 and seeing how well it fits our needs.

## Evolutionary Acquisition



### USAID Uganda’s Current Innovations and Improvements in Procurement

USAID Uganda has a history of procurement innovations and new concepts that improve the procurement process and program outcomes. These innovations and improvements have largely been driven by the technical teams searching for better partner performance and accountability, better approaches to procurement planning and administration, and more reliable, measurable results. Below are some recent examples.

#### Aid effectiveness-friendly Workarounds to Strengthen Partner Country Capacity

Under the Strengthening Decentralization for Sustainability (SDS) Cooperative Agreement, we have established a mechanism to issue grants to local governments using a scheme that: 1) involves local governments in planning, budgeting and implementation; (2) provides District governments with the ability to participate with and improve coordination among all USAID supported partners operating within the district; and (3) provide helpful oversight (but oversight nonetheless) of local governments as they implement their programs. The program is focused on sustainable financing of health, HIV/AIDS and other social sector services.

Here’s how it works: the implementing partner provides technical assistance to strengthen the district governments’ ability to plan, budget, implement/coordinate, monitor and evaluate decentralized services using the host country’s administrative and fiscal decentralization framework. Then the partner provides grants to complement resources needed for effective and efficient management of programs and services. As the Districts implement their grants, the partner monitors and provides feedback to the local government on their effectiveness and ability to ensure accountability.

In a second example, under the Uganda Teacher Development and Management Systems and Presidential Initiative for AIDS Strategy Communication to the Youth (UNITY) contract we use

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host country procurement systems for subcontracting in parallel with normal subcontracting processes that meet U.S. Federal regulations. This method exercises the host country's procurement system without risking USG funds. This is how it works: the contractor submits requirements through the host country procurement system, has membership (but not the leadership position) on host country source selection panels, allows the decision to be made using host country systems, but then issues the subcontract from their own procurement shop. The host country also issues an (unfunded) instrument, but the contractor's instrument is our binding obligating document of record. The contractor's subcontract is harmonized to follow host country formats, but includes our required flow-down clauses and provisions. The result is that the two instruments look essentially the same with the exception of cover page. The host country's instrument is operational in terms of host-country law, giving the host country procurement system responsibility for oversight and enforcement of the activity. Our contractor enforces the subcontract in parallel with the host country's instrument.

### Strengthen Collaboration and Partnership with Other Donors

A partnership was formed among a group of donors, led initially by DFID and Irish Aid, to establish a pooled funding mechanism known as the Civil Society Fund (CSF). The objective of the CSF is to efficiently disburse funds to civil society and ensure a coordinated, aligned approach. At the time the CSF was established, USAID did not have a mechanism to contribute directly to the fund. However, compared to the other donors contributing to the CSF, USAID was uniquely positioned to provide the contracting services necessary for the successful implementation and continuation of the program. Many of the other donors had moved to budget support and no longer directly managed programs, while others have strict rules on how much of their funding can be used for administrative expenses. Therefore, we funded and awarded three contracts to administer the CSF: the Financial Management Agent, the Monitoring and Evaluation Agent, and the Technical Management Agent. As a result, we have at seat at the table with the other donors, creating an effective platform for coordination. And we have achieved donor alignment and harmonization for the CSF.

### Use U.S. Government resources more efficiently and effectively

The Cost Plus Award Fee (CPAF) contract type provides for contractor incentivization and cost control, but the most powerful impact of CPAF contracting is that it forces the Government and contractor to sit down together regularly and conduct frank discussions of performance, expectations and measurable goals. But it can be administratively burdensome. Therefore, we designed and awarded a more streamlined version of CPAF for a three-year, \$34m Indoor Residual Spraying program. The results after the first year of performance: 1) greatly exceeded contract technical requirements (for instance, exceeded households sprayed by 10%, over 99% of population was protected) ; 2) cut contract cost by \$1.9m and avoided an additional \$1.6m; 3) implemented an innovative staff payment method for remote areas that has improved staff safety and hardened against corruption; 4) implemented an innovative use of bicycles that dramatically decreased transportation cost and staff absenteeism while at the same time improved geographic coverage; and 5) improved program oversight by the innovative use of community and local government involvement in training, monitoring and evaluation. We will use the lessons we learned in this program to design a Fixed Price Award Fee (FPAF) construct during FY11.

Table 1: USAID Uganda Procurement Improvement Initiative

| USAID Procurement Improvement Objective   | USAID Intermediate Target (2013)  | USAID Medium-Term Target (2015)  | Uganda Procurement Improvement Initiative   | Uganda Current Achievement (As of 1 Oct. 10)   | Uganda FY11 Target  |
|---|---|--|---|--|---|
| <b>Objective 1- Strengthen partner country capacity to improve aid effectiveness and sustainability.</b>  | Oblige 14% of program funds through partner country systems in 18 countries.  | Oblige 20% of program funds through partner country systems in 25 countries.   | A. Consolidate Gains in Non-Project Assistance (NPA) Initiative.<br>B. Establish strategic relationship with the Uganda Public Procurement and Disposal of Assets Authority (PPDA) and the Institute of Procurement Professionals of Uganda (IPPU).   | Obligated 17% through Non-Project Assistance (FY10).<br>No relationship between PPDA, IPPU and USAID Uganda A&A Office.  | 1. Garner lessons learned on one non-project assistance program (NUDEL), continuously improve processes.<br>2. Award one new NPA program (FF capacity).<br>1. All A&A Staff members of IPPU.<br>2. USAID Uganda Corporate Member of IPPU.<br>3. Harmonization Strategy established with PPDA for 2012.  |
| <b>Objective 2: Strengthen local civil society and private sector capacity to improve aid effectiveness and sustainability.</b>   | A. Local Nonprofit Organizations<br>Oblige 4% of program funds for direct grants to local nonprofit organizations and increase the number of partners to 750.<br>B. Local Private Businesses<br>Oblige 2% of program funds for direct contracts to local private businesses and increase the number of partners to 450.   | Oblige 8% of its program funds for direct grants to local nonprofit organizations and increase the number of partners to 1,000.<br>Oblige 4% of program funds for direct contracts to local private businesses and increase the number of partners to 600.   | A. Establish Outreach to the Uganda National NGO Forum.<br>B. Establish Outreach to Private Sector Foundation of Uganda (PFSU).   | 25% by award, 17% by value to local nonprofit organizations, 10 out of 39 Partners \$113m out of \$650m (FY10).<br>15% by award, 15% by value to local for profit organizations, 3 out of 20 Partners \$32m out of \$230m (FY10).        | 1. Participate in local NGO training and information programs.<br>2. Maintain or increase proportion of local NGOs (16% by number of awards).<br>1. Participate in local private sector training and information programs.<br>2. Maintain or increase proportion of local private sector partners (5% by number of awards).<br>3. Establish one local Public-Private Partnership (PPP).   |
| <b>Objective 3: Increase Competition and Broaden USAID's partner base.</b>  | Oblige 5% of program funds through contracts with U.S. small businesses and increase the number of partners to 200.<br>Increase the number of U.S. private business partners and U.S. NGOs by 25.   | Oblige 5% of its program funds through contracts with U.S. small businesses and increase the number of partners to 300.<br>Increase the number of U.S. private business partners and U.S. NGOs by 40.  | A. Explore with OSDBU a capability to use a Small Business Set Aside in USAID Uganda.   | 5% by award, 4% by value to small business firm as set aside TO under IOC, 1 out of 20 contracts \$7.5m out of \$20m (FY10).   | 1. Award one Small Business set aside using FAR Part 19 procedures.   |
| <b>Objective 4: Use U.S. Government resources more efficiently and effectively.</b>   | A. Fixed Price Contracts<br>Revise policies and procedures on the appropriate use of IOCs and LWAs with the aim of reducing their size, scope and duration.<br>C. Recruiting and Retaining Procurement Officers<br>Develop a comprehensive plan to have procurement officers regarded as development officers with clearly defined career paths that can lead to the Senior Foreign and Executive Services (2011 goal). | Increase the percentage of fixed price contracts for commodities and equipment to 75% and for other types of contracts to 20%.<br>B. Implement USAID revised policies on LWA and IOCs<br>C. Implement DLI Program for Contracting Officers<br>D. Establish a capability for Evolutionary Acquisition to provide agility to programs. | A. Establish a capability to use Fixed Price Award Fee (FPAF) for a major program.<br>B. Implement USAID revised policies on LWA and IOCs<br>C. Implement DLI Program for Contracting Officers<br>D. Establish a capability for Evolutionary Acquisition to provide agility to programs.<br>A. Establish a Donor-to-Donor grant capability. | 30%, but all POs - 6 fixed price instruments (FY10).<br>Not assessable.<br>One Contracting DLI assigned and pursuing training (FY10).<br>No present capability.  | 1. Award one major (>\$1m) FPAF contract.<br>2. Maintain current level of Firm Fixed Price (FFP) awards (6 or more).<br>1. Policies on LWAs and IOCs implemented.<br>1. Establish Contracting DLI program that accomplishes DLI basic training, FAC-C Level II, rotations with each DO, and experience with major instrument types throughout the A&A process.<br>2. Accomplish Year 1 DLI Individual Development Plan<br>1. Award and implement one Evolutionary Acquisition instrument. |
| <b>Objective 5: Strengthen collaboration and partnership with bilateral donors, multilateral and international organizations to increase synergies and avoid duplication.</b> | Establish and formalize Agency policies and guidelines to strategically engage bilateral and multilateral donors (2012 goal)  | Three administrative support contracts to sustain a multi-donor organization, \$44m (FY10).  | A. Establish a Donor-to-Donor grant capability.   | 1. One Donor-to-Donor (D2D) grant is successfully implemented.   |   |
| <b>Objective 6: Rebuild USAID's internal technical capacity and rebalance the workforce.</b>  | Hire and train the technical and contracting staff identified under the implementation plan.  | In-source key positions that are carrying out inherently governmental functions.   | A. Hire appropriate A&A Staff.<br>B. Ensure A&A Staff is trained.   | CO USDH - 1<br>DLI USDH - 1<br>Sr A&A Specialist FSN 11/12 - 1<br>A&A Specialist FSN 09/11 - 5<br>P/T Admin Asst EFMP 06 - 1<br>A. All FSNs have met FAC-C Level II training requirements, however ACIMS will not currently enroll FSNs. | CO USDH - 1<br>DLI USDH - 1<br>Sr A&A Specialist FSN 11/12 - 1<br>A&A Specialist FSN 09/11 - 5<br>P/T Admin Asst EFMP 06 - 1<br>1. Establish all FSNs in ACIMS.<br>2. FAC-C Level II for all FSNs with over two years experience.   |

### USAID Uganda Procurement Improvement Plan Objectives and Goals

The USAID Uganda Procurement Improvement Plan is focused on implementing the objectives of the USAID Implementation and Procurement Reform (IPR) agenda. The table above summarizes the Plan and shows how the Plan is constructed around the Agency IPR Objectives. The following provides more explanatory detail to each of the USAID Uganda Objectives.

#### **IPR Objective 1- Strengthen partner country capacity to improve aid effectiveness and sustainability by increasing use of reliable partner country systems and institutions to provide support to partner countries.**

##### USAID Uganda Objective 1.A: Consolidate Gains in Non-Project Assistance Initiative

In FY10 we obligated \$30m to the GOU through, NUDEIL, a Non-Project Assistance (NPA) effort designed to rebuild roads, schools and water access in Northern Uganda using locally available hand labor for maximum employment. Awarding the \$10m support contract, setting up and monitoring a payment system to local governments, and integrating technical support and project monitoring is a complex affair. While we have achieved solid oversight, we must now apply the lessons learned to further streamline processes and refine our oversight of the program so as to make it as non-intrusive as possible – we need to ensure the local governments’ processes operate independently of our involvement so that these processes would continue smoothly without our participation. Our goal for FY11 is to capture the lessons learned from the NUDEIL project and use them to both improve the current project and award another NPA this year – a Feed the Future capacity building project currently under development – thus helping us institutionalize our capability for this type of program.

##### USAID Uganda Objective 1.B: Establish a strategic relationship with the PPDA and the IPPU.

Over the last few years, USAID Uganda has helped the GOU set up and manage a government-wide set of legislation, regulations, processes and management systems for public procurement. As a result, the GOU’s procurement agency, the Public Procurement and Disposal of Assets Authority (PPDA), and the independent Institute of Procurement Professionals of Uganda (IPPU) are solid organizations. Now we need to fortify the success of these organizations by participating within their systems, rather than just providing external support. In FY11 our goal is to create a strategic relationship between these organizations and the USAID Uganda procurement professionals of the A&A Office. The purpose of this relationship is to: recognize the PPDA’s authority within Uganda; provide the Uganda market with consistent standards, processes and terminology through USAID partners; emphasize GOU standards for ethics, professionalism and procurement integrity; and create relationships among the working level professionals for the exchange of ideas and harmonization of processes.

#### **IPR Objective 2: Strengthen local civil society and private sector capacity to improve aid effectiveness and sustainability, by working closely with our implementing partners on capacity building and local grant and contract allocations.**

##### USAID Uganda Objective 2.A: Establish Outreach to Uganda National NGO Forum.

A competitive local market will drive the necessity for individual organizations to build their organizational capacity. Our goal in FY11 is to establish a relationship with the Uganda National NGO Forum, and support them in accomplishing their Program Area IV objective,

*Institutional Strengthening.* This will have several benefits for us: (1) building capacity of local NGOs; (2) participating in a forum for local organizations both to advertise funding opportunities and to understand issues faced by local organizations; and (3) gaining more robust competition in the local market. Our second goal under this objective is to maintain the proportion of local NGOs with which we have direct awards. We don't intend to emphasize growing the number of local partners this year because we already meet Agency targets in this area and we believe it is essential to lay good ground work with the NGO Forum first. But we don't want to slip backwards either. We anticipate that once the relationship with the NGO Forum is solidified in FY11, we will be able to pursue more aggressive targets in FY12.

USAID Uganda Objective 2.B: Establish Outreach to the PSFU

This objective is similar to Objective 2.A above, except that it is targeted to the private sector. Our first goal in FY11 is to establish a relationship with the Private Sector Foundation of Uganda (PSFU), a collection of 120 business associations organized by industry sector. Similar to our second goal for local NGOs, our second goal for the private sector is only to maintain the proportion of local partners we currently have – we expect to address this area more aggressively in FY12 after we have matured our relationship with the PSFU. A third goal, unique to the private sector, is that we will seek an opportunity for public-private partnerships (PPP, also known as Global Development Alliances (GDA) with at least one local private organization. This is more of a CLA goal – we want to learn and gain a capability with a single local PPP hoping to garner sufficient experience to expand this goal by FY13.

**IPR Objective 3: Increase competition and broaden USAID's partner base, by increasing the number of prime contract awards and percentage of total dollars obligated to U.S. based small and disadvantaged businesses and small NGOs (while decreasing the number and value of large pre-competed contracts).**

USAID Uganda Objective 3.A: Explore with OSDBU a capability to use a Small Business Set Asides in USAID Uganda.

Part 19 of the Federal Acquisition Regulation (FAR), the part that governs the Small Business Program, explicitly does not apply to solicitations issued and awarded overseas. Missions are generally limited to participating in the Small Business Program through Washington-based and awarded instruments. However, there may be some opportunity to participate more fully in the program. Our goal in FY11 is to work with the Office of Small and Disadvantaged Business Utilization (OSDBU) to see if there is a method by which an overseas contracting office may use FAR Part 19 to set aside an award for small business. This is an experimental goal, but the target is to award one set-aside to a small business in FY11.

**IPR Objective 4: Use USG resources more efficiently and effectively, by increasing the number of fixed price contracts where feasible and appropriate, decreasing the use of "high-risk" procurement methods, and harmonizing procurement approaches with other US government agencies working in the same substantive areas.**

USAID Uganda Objective 4.A: Establish a capability to FPAF for a major program.

One criticism to Firm Fixed Price contracting in the Development arena is that it does not have the flexibility of a Cost contract, and, because the contractor takes on more risk of performance,

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the contractor may be less inclined to adapt to changing Government needs. Following our success with Cost Plus Award Fee and using the precept of Evolutionary Acquisition, we believe that a Fixed Price Award Fee (FPAF) contract with a performance-based work statement and pre-planned modification milestones may answer these criticisms. Therefore, our goal for FY11 is to experiment with this construct and establish one FPAF contract.

**USAID Uganda Objective 4.B: Implement USAID revised policies on LWA and IQCs**

We recognize the need for better policies on the use of IQCs and LWAs, but this is an area where innovation or individual mission approaches may undermine the efforts of the Agency to address the concerns of Congress and other critics. USAID Uganda will enthusiastically participate in the conversation, but will follow the lead of the Agency in this area. Therefore the goal for FY11 is to implement any resulting policy guidance issued by the Agency and ensure our use of IQC and LWAs meet the intent of Agency guidance.

**USAID Uganda Objective 4.C: Implement DLI Program for Contracting Officers**

USAID Uganda has one Backstop 93 DLI. We have a mission program for DLIs and an Individual Development Plan in place, which includes requisite Acquisition and Assistance training to meet Federal certification requirements. Our goal for FY 11 is to complete all the year one training on the IDP for our DLI.

**USAID Uganda Objective 4.D: Establish a capability for Evolutionary Acquisition to provide agility to programs.**

As described above, Evolutionary Acquisition is a methodology to incorporate Collaboration, Learning and Adapting (CLA) into contract performance. This is an experimental approach – to our knowledge it has not been attempted in the Development arena. Our goal for FY11 is to explore this technique further, refine it for development contracts, and award one Evolutionary Acquisition instrument, incorporating CLA, by the end of the FY.

**IPR Objective 5: Strengthen collaboration and partnership with bilateral donors, multilateral and international organizations to increase synergies and avoid duplication.**

**USAID Uganda Objective 5.A: Establish a Donor-to-Donor grant capability**

Currently we are involved in several multi-donor activities and have maintained close coordination with other donors working in Uganda. However, our material participation in multi-donor activities has been manifested as administrative support – USAID is often in the best position among donors to award and administer support contracts to manage multi-donor programs. However, there are opportunities to leverage other donor resources and comparative advantages by combining our funds with these donors and allowing them to manage the activity. For FY11, our goal is to develop the capability to transfer funds to another donor; our target is one new Donor-to-Donor award.

**IPR Objective 6: Rebuild USAID’s internal technical capacity and rebalance the workforce, working with the Talent Management Reform initiative.**

**USAID Uganda Objective 6.A: Hire appropriate A&A Staff.**

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Feed the Future and other initiatives have added substantial workload to the A&A Office. The IPR and the USAID Uganda Procurement Improvement Plan have substantially increased our expectations for our A&A staff. Chronic shortages of Contracting Officers throughout the Agency has increased our reliance on FSN staff. We have determined that the best approach for our mission is to continuously hire and train new staff. This means establishing positions that encourage and expect individual growth and development, and give them the training and experience they need to operate at an advanced skill level. By establishing Position Descriptions that are designed to bring A&A specialist from an Entry Level to Journeyman performance along a deliberate path of development, we no longer have a need for procurement specialists – a position that tends to attract only those with less ambition. This means that the remaining administrative support functions would be available for an Eligible Family Member (EFM) position. Therefore our goal for FY11 is to establish new Position Descriptions that recognize the advanced skillset and need for individual development, fill the currently vacant Senior A&A Specialist and A&A Specialist positions, and establish a part-time EFM Administrative Support position.

USAID Uganda Objective 6.B: Ensure A&A Staff are trained.

One area where we have developed a solid capability is the training of A&A staff. Over the last two years we have been able to ensure each of our staff has Federal Acquisition Certification – Contracting Level II (FAC-C Level II) training. However, the Federal Acquisition Institute (FAI), which establishes certification criteria for the Federal Acquisition Workforce, has not updated the Acquisition Career Management Information System (ACMIS) to accept Foreign Service Nationals. They had planned to modify the system in December 2010. Therefore, our goal for FY11 is to ensure all A&A FSNs are properly trained. Our targets are to ensure all are registered in ACMIS and all newly hired A&A FSNs receive their FAC-C Level II within their first two years.