Additional Technical Analyses for Developing Strategic Plans

A Mandatory Reference for ADS Chapters 200-203

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Additional Technical Analyses for Developing Strategic Plans

Overview

Effective Date: 09/01/08

As noted in ADS 201, only two types of technical analyses are mandatory for developing strategic plans: environmental and gender. However, USAID Offices and Missions should also consider whether additional analyses are necessary. USAID Mission/Offices may be required or may choose to conduct additional analyses. Such additional analysis should be specified in the official planning parameters.

Often a careful review of the available literature on a topic of interest will reveal high quality, already-completed analyses. For example, World Bank macro-economic analysis and sector assessments are often readily available and may be used as references or in lieu of new USAID-funded analysis. In addition, many donors post their country development strategies on the Internet, thus providing a valuable resource during donor coordination planning.

Analyses are often interdependent. For example, an agricultural sector analysis may also include gender as well as environmental analysis, thus approaching the sector from a more holistic viewpoint. Therefore, it is helpful for planners to determine at the outset what kind of information is needed and in what detail, keeping in mind costs and the time required to review the information.

Additional technical analysis may be needed for the design-and approval of specific activities. To the maximum extent practicable, technical analysis conducted as part of developing a Strategic Plan and/or planning a new Assistance Objective (AO) should also provide the analytical basis for subsequent approval of activities by USAID Missions/Offices.

USAID Missions/Offices and relevant Bureaus are responsible for verifying that sufficient technical analysis has been completed and is referenced in the strategic plans.

201.3.9.2 Donor Coordination Analysis

Effective Date: 01/31/2003

Planning parameters should specify whether donor coordination analysis is necessary to help guide USAID decision-making in a particular country or sector. A donor coordination analysis identifies the obstacles and opportunities presented by other donors for each Assistance Objective and helps decide which planned results merit an investment of USAID Mission/Office time and resources. (See the Additional Help document, Donor Coordination Strategies).
201.3.9.3 Humanitarian Relief/Food Aid Assessments

Effective Date: 01/31/2003

Planning parameters should specify whether this analysis is necessary in planning food aid and/or humanitarian relief strategies or activities, the following references may be useful:

- The Office of U.S. Foreign Disaster Assistance (DCHA/OFDA),
- The Additional Help document, OFDA Mitigation Practitioner’s Handbook,
- The Additional Help document, OFDA Field Operations Guide for Disaster Assessment and Response,
- The Additional Help document, OFDA Guidelines for Grant Proposals and Reporting.

201.3.9.4 Macro-Economic Analysis

Effective Date: 01/31/2003

Planning parameters should specify whether macro-economic analysis is necessary. Macro-economic analysis examines overall trends in a nation’s economy. Such analyses significantly influence the overall success of development strategies and can assess the kinds of development programs that are likely to work well or poorly. This analysis includes summary measures of economic activity (such as the gross national product, the saving rate, or the consumer price index) and examines monetary policies, fiscal/budget policies, the exchange rate regime, inflationary pressures, major shifts in external economic relations, and balance of payments problems. This analysis, which is often available from the International Monetary Fund (IMF), World Bank, or other donor and private-sector organizations, provides a comprehensive look at the dominant changes in the economy rather than at the particular influences on individual parts of the economy. For more information, see the Additional Help document, Economic Analysis of Assistance Activities.

201.3.9.5 Sector Assessments

Effective Date: 01/31/2003

Planning parameters should specify whether sector analyses are necessary, and if so, in what sectors. Substantial gaps may exist in the analytical process between analysis of the broad assistance environment and more discrete activity analysis. Sector or sub-sector analysis is therefore often used to help link broad national-level aggregate analysis and analysis for separate activities. Examples of sector assessments include agriculture, food security, health, population, education, democracy, and environment.
In addition to helping define which sectors are the most appropriate for USAID assistance, sector assessments should be helpful when designing specific AOs and activities.

Sector assessments are encouraged for any new sector in which USAID will work and for sectors in which conditions have changed significantly since the last sector assessment. USAID Missions/Offices should refer to sector assessments funded by other (non-USAID) organizations to meet these requirements if, in their judgment, the quality of the assessment is adequate to support USAID decision-making.

Many additional resources are listed in the comprehensive list of Mandatory Reference documents in **ADS 200.4** and the additional help documents in **ADS 200.5**. In particular, see the following resources for sector assessments:

- The Additional Help document, *Agricultural Sector Assessments*
- The Additional Help document, *Conflict Prevention Guidance for Strategic Planning*
- The Mandatory Reference, *Guidance on the Definition and Use of the Child Survival and Health Program Funds*
- The Additional Help document, *Guidance for Preparation of Background Assessments on Biological Diversity and Tropical Forests for Use in CDSS or Other Country Plans*
- The Additional Help document, *Introduction to Food Security Analysis*
- The Additional Help document, *Policy Determination (PD) #6, Environmental and Natural Resources Aspects of Development Assistance*
- The Additional Help document, *Population Assistance*
- The Mandatory Reference, *USAID Political Party Assistance Policy*
201.3.9.6 Social Soundness Analysis and Institutional Development Analysis
Effective Date: 01/31/2003

Planning parameters should specify whether these analyses are necessary. Social Soundness Analysis helps determine the compatibility of an Assistance Objective or activity with the socio-cultural environment and the anticipated impact on different groups of people. Institutional Development Analysis helps determine whether some planned AOs or activities may exacerbate market distortions and inefficiencies or facilitate structural change and development. In addition to helping define which sectors are the most appropriate for USAID assistance, these analyses may also be helpful when designing specific AOs and activities. See the Additional Help documents, Institutional Development and Social Soundness Analysis.

201.3.9.7 Political Analysis
Effective Date: 01/31/2003

Planning parameters should specify whether this analysis is necessary. Broad political issues typically should be summarized in the “Overall Environment for Assistance” section of the Strategic Plan. In some cases, it may be worthwhile to develop a stand-alone political analysis.

When planning to engage in host-country political party assistance, USAID Missions/Offices must follow the Mandatory Reference, USAID Political Party Assistance Policy.

201.3.9.8 Other Useful References for Strategic Analysis
Effective Date: 01/31/2003

Planning parameters should specify what other additional analysis or analyses are necessary. USAID Missions/Offices may refer to the additional documents listed below, which contain suggestions on the appropriate kinds and levels of technical analysis.

- The Mandatory Reference, International Affairs Strategic Plan.

A public-private alliance is often the best way to implement development objectives. Testing that hypothesis will require the assessment of potential partners, the
compatibility of their goals with USAID goals, and the resources, both financial and other, that they would bring to an alliance. The Global Development Alliance (GDA) Secretariat assists Agency staff in the analysis process by serving as a clearinghouse for potential alliance partners. For more information on incorporating the alliance concept into an analysis framework, see Part 1 of the Additional Help document, Tools for Alliance Builders and A Practical Framework.

Agency staff should review past Agency and development partner analyses and experience, including alternative development approaches, the role and multi-dimensional impact of faith-based and community organizations as viable development partners, Results Frameworks, best practices, evaluations, and other development literature in preparing Strategic Plans. Agency staff can obtain this information through the research and reference capabilities provided by the Development Information Service (DIS).

201.3.8.3 Conflict Vulnerability Analysis
Effective Date: 01/31/2003

As part of preparing a new country-level strategic plan, USAID Missions/Offices in the field may

- Prepare a conflict vulnerability analysis that addresses the potential for conflict;
- Summarize the findings of such analysis in the Strategic Plan; and
- Specifically indicate when and how these findings affect the proposed Strategic Plan.

Conflict vulnerability analysis applies only to situations where clear potential for conflict exists and is not intended for resolving, mitigating, or planning the recovery from current or past conflicts. In general, USAID Missions/Offices should make maximum use of existing country team assessments of perceived economic, political, civil-military, or social tensions that could lead to violent conflict, including regional concerns if they exist. When proposing the AOs “mid-stream,” USAID Missions/Offices should consider conducting an analysis and should determine whether the scope of the planned new AO warrants such analysis. For guidance on scope or methodology, USAID Missions/Offices should contact the Bureau for Democracy, Conflict, and Humanitarian Assistance, Office of Conflict Management and Mitigation (DCHA/CMM). USAID Missions/Offices should also consult with the relevant regional Bureau for best practices in that region.

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