



Strategic Planning - Frequently Asked Questions

A Mandatory Reference for ADS Chapter 201

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Background

In January 2007, the Administrator issued an Executive Message on “Interim Guidance on the Status of USAID Strategic Plans under the New Foreign Assistance Framework”. The Interim Guidance clarified that a USAID Operating Unit’s most recent Strategic Plan (including those that had expired), as modified by the annual Operational Plan, was to be considered the Approved Strategic Plan for purposes of meeting statutory, policy, and planning requirements.

Some USAID Missions are interested in updating their country strategy, since the development context in which USAID works may have changed significantly. Additionally, updates may be necessary because USAID procurement instruments generally span a three to five year period, and a longer-term perspective requires aligning activities with a forward-looking strategy that clearly delineates expected higher-level outcomes and goals.

To respond to this need, USAID and the Office of the Director of U.S. Foreign Assistance (F) are providing USAID Missions with an opportunity to update their Mission strategy prior to the completion of a Country Assistance Strategy (CAS). The procedures and frequently asked questions below are incorporated in the ADS 200 series as a mandatory reference, and will be updated as necessary.

Country Assistance Strategies

The CAS is part of a larger effort, led by USAID Administrator and Director of U.S. Foreign Assistance Fore in her capacity as Chair of the Development Policy Coordination Committee, to coordinate assistance across “the whole of government.” It is a 10-to-15 page “whole of government” strategy that delineates the top four to five foreign assistance priorities for a particular country, taking into consideration the views of all interested U.S. Government (USG) agencies. Currently, the CAS is being piloted in ten countries, with most pilot countries scheduled to complete their CAS by the end of September 2008. At the end of the pilot phase, F, USAID, State, and other stakeholders will evaluate how the CAS process should be refined and whether more detailed guidance should be provided. In Fiscal Year 2009, the first year of broader CAS implementation, USAID expects that approximately one-fifth of CAS-eligible countries will complete a CAS; most countries that receive foreign assistance are CAS-eligible.

For additional information on the CAS, please view the CAS concept paper, guiding principles, outline, and other key documents at:
<http://inside.usaid.gov/A/F/ncsfas.html>.

Because the CAS will identify government-wide, high-level strategic goals, some of which USAID may not fund, USAID must identify and approve its own Assistance

Objectives (AO). In some cases, AOs will be the same as CAS goals, while in other cases they will be a sub-set of broader CAS goals. AOs are an integral and mandatory element of USAID strategic planning and are subject to the approval of the cognizant Assistant Administrator (See ADS 103). To facilitate this, USAID Missions participating in the CAS pilot should submit brief narratives describing their proposed AOs, results frameworks, and proposed AO indicators to their Regional Bureau.

Updating USAID Strategies

The following guidelines are provided for USAID Missions planning to update their strategy prior to the completion of a CAS.

- A USAID Mission planning to update its strategy must notify its Regional Bureau and provide a brief written explanation regarding why an updated strategy is needed (e.g., USAID strategy in country X was last completed in 2002 and country conditions have changed due to Y, Z).
 - USAID Regional Bureaus will consult with USAID's Office of the Chief Operating Officer's Policy Analysis and Coordination staff and F on the feasibility of scheduling the country to develop a CAS in FY 2009 and future years. If doing a CAS is not feasible in the designated timeframe, the Regional Bureau will authorize the Mission to develop a Mission strategy.
 - Missions should use the CAS outline, with modifications as necessary, to draft the USAID strategy. Once the Missions submit the strategy, the Regional Bureau will circulate it to F and other relevant State Department and USAID Bureaus for review and comment. While F country coordinators should participate in the review process and may provide input into the parameters discussion, F clearance is not required.
 - Per ADS 103, approval of USAID country and regional strategies is delegated to Regional Bureau Assistant Administrators. AOs are an integral and mandatory element of USAID's strategic planning process and are generally approved as part of the strategy. Substantive changes to a strategy, including to AOs, must be approved by the cognizant Assistant Administrator.
 - Similar to other relevant documents and strategies, an updated USAID strategy will inform the annual resource request and budget building process that starts each year with the Mission Strategic Plan (MSP) submission, whereby each USG Mission identifies its priorities and justifies its budget request.
 - Once a country completes a CAS, any agency-specific or program-specific strategies or plans will need to be reviewed and revised if necessary to ensure that they are consistent with the CAS.
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Frequently Asked Questions on USAID Strategic Planning

1. If a country is not participating in the CAS pilot, can the USAID Mission develop its own multi-year strategy?

Yes. In countries where a CAS is not being developed and is not planned in the immediate future, USAID Missions or Offices may prepare their own strategies. When that country completes a CAS, the USAID strategy will need to be reviewed and revised as necessary to ensure that it is consistent with the CAS. (See ADS 201.1)

2. Who approves USAID strategies?

The authority for strategic planning is delegated to Assistant Administrators, USAID Mission Directors and various other officials as delineated in ADS 103. Regional Bureau Assistant Administrators must approve all USAID strategies for countries within their respective regions.

Each Regional Bureau may have specific policies that guide the approval process for USAID strategies. However, USAID Mission strategies should be circulated to the relevant Pillar Bureaus, the Office of the Chief Operating Officer's Policy Analysis and Coordination staff; the Management Bureau's Office of Management Policy, Budget, and Performance; the Office of the General Counsel; and the Office of the Director of U.S. Foreign Assistance and the State Department regional bureau for review and comment. To ensure appropriate coordination, USAID recommends engaging pillar bureaus and other USG agencies — at the country level and in Washington — during the development of the strategy to ensure appropriate coordination. The relevant Regional Bureau Assistant Administrator has the authority to approve amendments and extensions to USAID strategies.

3. Who approves new Assistance Objectives (AOs)?

A new AO that was not approved in the last USAID strategy, would constitute a “substantive amendment” of the approved plan. All Regional Bureaus require that substantive amendments to strategies be approved by the Assistant Administrator.

4. Who must approve new or amended Assistance Agreements (formerly known as Strategic Objective Agreements)?

An Assistance Agreement is a bilateral or multilateral agreement between USAID and the host country government(s). USAID Mission Directors are delegated the authority to negotiate and execute bilateral and multilateral Assistance Agreements, (Assistance Agreements also include Limited Scope Grant

Agreements; Strategic Objective Agreements still in effect; or other forms of agreements that the Mission, in consultation with the Regional Legal Advisor (RLA), deems appropriate, as set forth in ADS 350). Missions do not need to seek approval from the responsible Assistant Administrator to extend the completion date for an Assistance Agreement up to one year beyond the approved completion date for the AO. The cognizant Assistant Administrator must approve Assistance Agreement extensions of more than one year beyond the end date of the AO. In most cases, however, an updated USAID strategy should lead to the negotiation of new Assistance Agreements.

5. How do Missions budget for multi-year programs in the absence of planning parameters or a management agreement with Bureaus?

Operational Plans (OPs) provide budget approval for one fiscal year. In the past, management contracts and agreements attempted to predict year-to-year funding, with mixed success. In developing a multi-year strategy, USAID Missions should consult with F and their Regional Bureau on expected resource levels. As with the CAS, resource assumptions will be fairly general, e.g., a single straight line, increasing or decreasing.

6. Must our Operational Plan be approved before we can move forward with Activity Approvals Documents (AADs)?

No. OP approvals occur relatively late in the fiscal year. If an Operating Unit is developing new projects or activities that will require an AAD, it should not wait until an OP is approved before initiating the planning required. However, an approving official (usually the Mission Director) may choose at his or her discretion not to approve an AAD until the Mission's or Office's budget allowance for that fiscal year is finalized.

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