

**2nd Quarter FY 2021
Business Forecast Webinar and Partner Update
March 10, 2021
8:00 - 9:00 AM ET
As Prepared**

USAID Participants

- Michele Sumilas, Acting Chief of Staff, Assistant to the Administrator, Bureau for Policy, Planning, and Learning
- Gabi Chojkier, Deputy Assistant Administrator, Bureau for Legislative and Public Affairs
- Mark Walther, Director, Bureau for Management, Office of Acquisition and Assistance
- John Watson, Acting Director, Office of Small and Disadvantaged Business Utilization
- Deb Broderick, Deputy Director, Bureau for Management, Office of Acquisition and Assistance
- Arjun Tasker, New Partnerships Initiatives (NPI) Program Lead, Bureau for Development, Democracy, and Innovation
- Matt Johnson, Industry Liaison, Communications Director, Bureau for Management, Office of Acquisition and Assistance

Agenda

- Welcome and introductions by Matt Johnson
- Remarks from Michele Sumilas
- Remarks from Gabi Chojkier
- Remarks from Mark Walther
- Remarks from John Watson
- Remarks from Deb Broderick
- Remarks from Arjun Tasker
- Conclusion of the call.

Conference Call Transcript

Welcome and Introductions from Matt Johnson

Hello everyone and thank you for joining us today's Business Forecast Webinar and Partner Update.

My name is Matt Johnson and I am USAID's Industry Liaison as well as the Communications Director for the Office of Acquisition and Assistance.

If you're new to joining us for a Business Forecast webinar, rather than going through all questions that we've received in advance of the event, we provide updates on what's happening at USAID and address some of the broader questions that were submitted. We will not be taking any live questions during today's event.

Later today we plan to post responses to the majority of the questions we have received on our website -- as well as a recording and transcript from this call. We will notify you that it has been posed through our [Industry Liaison newsletter](#), our [USAIDBizOpps](#) Twitter handle, and our [Work with USAID](#) LinkedIn group.

We have a lot of great topics that we will be covering during today's webinar. You will be hearing from a number of USAID's senior leaders. Joining us today on the webinar are:

- Michele Sumilas, Acting Chief of Staff, Assistant to the Administrator, Bureau for Policy, Planning, and Learning
- Gabi Chojkier, Deputy Assistant Administrator, Bureau for Legislative and Public Affairs
- Mark Walther, Director, Office of Acquisition and Assistance
- John Watson, Acting Director, Office of Small and Disadvantaged Business Utilization
- Deb Broderick, Deputy Director, Office of Acquisition and Assistance
- Arjun Tasker, New Partnerships Initiatives (NPI) Program Lead, Bureau for Development, Democracy, and Innovation

I would like to turn the call over to Michele Sumilas to share a few updates.

Remarks from Michele Sumilas

Good morning. Happy to be here and thank you for the invitation.

I'd like to spend a few minutes on how the Agency is responding to new strategic directions as we set the stage and make early progress on the Biden-Harris Administration's priorities. (We are still awaiting word from the Hill on the timing of Ambassador Power's hearing.)

As many of you already know, the [Interim National Security Strategic Guidance](#) was released on March 3, 2021. If you haven't had a chance to read it, please do. It outlines some clear priorities in advance of the development of the National Security Strategy. USAID helped shape

the document to ensure development is clearly articulated. Additionally, USAID now has a permanent seat on the National Security Council, which will ensure the development perspective informs US foreign policy.

A key priority of the Biden Administration is **climate change**, which is at the center of U.S. foreign policy, diplomacy, and national security. We are re-engaging our partners on climate change on all fronts - including by rejoining the Paris Agreement and hosting a Leaders' Climate Summit next month.

USAID is supporting the Administration's climate agenda by working with developing countries to implement climate solutions on the ground. The good news is the Agency already has a strong foundation of climate change programs, partnerships, and expertise - with current climate change programming in more than 45 countries across the globe.

I also want to stress that the pandemic remains a significant humanitarian and development challenge that has affected every sector. We are working on an Agency **COVID Strategy** that will look at both immediate, as well as second and third order effects of the pandemic, and how we respond globally. We are also reviewing a subset of our Country Development Cooperation Strategies to ensure we are aligned to combat both the pandemic and its impacts.

I also wanted to share a few additional items that may impact your work as USAID partners.

I first wanted to mention that many components of the **Transformation** have been institutionalized and represent good development. We are analyzing some of the outstanding elements of Transformation and will continue with those that allow USAID to support effective and efficient development.

We also recognize that new Administration priorities may require **shifts in strategic direction** for many Missions. With this in mind, a pause on new strategic plans was put in place on March 5.

- The temporary pause is applicable only to countries that are launching new strategies in 2021.
- Analytical work, consultations, and other key elements of strategic planning can continue during the pause.
- Missions with recently approved CDCSs or Strategic Frameworks are encouraged to utilize the Mid-Course Stocktaking (MCST) or Portfolio Review exercises to consider Administration priorities and other factors that may affect strategy implementation, such as COVID-19.

And as you may already know, last Fall USAID **streamlined its business processes** to reduce internal bureaucracy and focus our design requirements. For example, whereas USAID used to require missions to always bundle awards into “projects”, we made such project requirements optional. We also streamlined project documentation, and harmonized individual activity design requirements and procedures too.

USAID operating units can now also decide whether to **design activities** to stand alone or be bundled, as part of a project. As projects are now optional, evaluation requirements have been updated. USAID operating units must complete one evaluation per intermediate result in their strategy (if one is in place), and each activity with a total estimated cost of \$20 million or more must be evaluated.

Other **evaluation requirements** remain. For example, all new or pilot approaches still must undergo an impact evaluation, with a new addition that all impact evaluations must collect data on the cost of pilot interventions.

The policy on **Activity Monitoring, Evaluation and Learning Plans** has also been updated to include requirements and recommendations regarding the collection and use of beneficiary feedback by implementing partners and managing emerging risks. There is also a stronger emphasis on the implementation of projects and activities, not just on up front planning.

As our partners, you are encouraged to check [USAID's Learning Lab](#) website for the latest templates and guidance to enjoy the new, streamlined way to meet your commitments.

Finally, I'd like to talk briefly about the role PPL plays as the institutional home for the Agency's **COR/AOR** workforce. Contract and award managers are at the forefront of our programs worldwide and are frequently the main point of contact for USAID's partners. It's important that we address their needs and make improvements in their training and capacity.

These improvements include: enhancements to COR/AOR training and certification curriculum and training delivery, institutionalizing the COR/AOR function as part of an Agency career path, developing solutions and automation to streamline COR/AOR oversight tasks, and enhancing Agency-wide coordination of the COR/AOR role.

Of particular interest to the partner community are: planned training courses for program design; improved efficiencies to strip away bureaucratic redundancies and speed up programmatic approvals so as to free up award management staff to devote more time to

partner engagement; and a dedicated team of diverse staff located within PPL that act as an additional resource for our CORs and AORs to ask questions and request support. We look forward to hearing more from our partners on how we can best achieve our development goals together, including feedback on ways we can improve our support to our CORs and AORs in the field.

Thank you so much for your time today.

Remarks from [Gabi Chojkier](#)

Thank you, Matt. I'm so honored to be joining all of you today. First and foremost, I want to thank you, our partners. We could not do our work without you.

As Michele outlined, USAID has a big role in the major priorities the President has outlined: COVID-19; climate change; racial equity; and rebuilding the economy. Topics like climate change and COVID are cross-sectoral and have touched, or will touch, all of our work. And we know that once we have a confirmed Administrator, many additional priorities will be highlighted for the Agency, which we will make sure are shared with you.

But for me in particular, in my new role, my priority is to amplify the great work we are doing. And letting more people know what we do. There is no shortage of amazing stories to tell. And I want to tell a lot of them.

I know this group understands the importance of storytelling so that diverse audiences understand the impact we have. But we need your help.

Couple points I want to share:

1. Please use concise, simple language. Talk to my mom. She is smart, has an MBA, is from Latin America, is now a US citizen, reads the paper, watches the news, has traveled extensively but knows nothing about what you do. How do you talk to her?
2. There are three parts to the arch of explaining our work. To effectively communicate what we do, we must identify the problem we are trying to solve. Then introduce the solution that fits the problem you have outlined, followed by the impact we will have or have had.
3. As this Administration has made clear, there is no longer a division between domestic and foreign policy. We must always ask how our work helps our fellow Americans.
4. We will table terms like Journey to Self Reliance, that are strongly associated with the previous Administration. Every Administration has verbiage like this and I'm sure once we have an Administrator confirmed, we'll have a new phrase too.

5. Please prioritize communications and communications staff. The better quality stories, blogs, social media posts, photos, videos, we get from you, the more likely we are to showcase them.

I want to also share with you that this year marks USAID's 60th Anniversary! We have the grey hairs to prove it! Throughout 2021, we are highlighting six decades of development and humanitarian assistance programs and partnerships and an eye to the future. And we hope this will lead up to a high level event in Washington this fall. If you have good stories or photos of projects over the decades, especially a while ago, please let us know.

Also for your awareness, we are working on redesigning the USAID website and we will be reaching out to partners to get your input. We hope to create a site that is dynamic and user-friendly and meets all of our collective needs. So we look forward to hearing from you on that.

And finally, it is important to me that we ensure close connections with this group and that your voices are heard, and that you know you have an open door to both me and the rest of LPA.

Again, thank you for having me here today to talk about some of our communication priorities. I look forward to working with you.

Remarks from Mark Walther

Thanks, Matt, and thank you to everyone that has joined us for today's webinar. We appreciate these opportunities to engage directly with all of you, whether you have previous or current experience with USAID as a partner or sub-partner, or if you are involved in another capacity in the wider development community. We truly appreciate hearing directly from you all and value the questions, observations, and insights that you raise via our various engagement platforms.

We understand the importance of the Business Forecast to you and are continually looking at ways to improve the accuracy and reliability of the tool. As a part of our quarterly outreach efforts to partners, we engage with our internal staff to make sure the information in the Forecast has been updated and accurately reflects our planned activities.

I'm pleased to announce that we will be rolling out a new feature to our Business Forecast this week. We will be including a new "change log" for each of our activities. As changes are made to the Forecast, you will be able to track the specific updates. We think this will be a helpful tool that will allow you to more closely track each activity.

We all know that the COVID-19 pandemic will continue to impact the way we implement development programs for the foreseeable future. I would like to take a moment to acknowledge the added stress that these consistent extenuating circumstances are creating, both on a personal and professional level. We understand that these are trying times for everyone, and we want you to know that we are here to support you.

I would also like to address the subject at the forefront of everyone's mind: the COVID-19 vaccine. We are very aware of the urgency of this topic for our partners and trying to determine our options for supporting our partners around the world. In parallel to the questions you have raised about access and potential reimbursement of travel costs which are being explored, we have also been gaining some further insights from our colleagues overseas. Thank you for your continued patience around what is understandably a pivotal topic to continue your daily operations.

As we continue to operate in the COVID-19 environment, we want to gain an understanding of how it is continuing to impact our programs around the world. Very soon we will be issuing a follow-up implementing partner survey to the one that was released in May of 2020. We are currently in the final clearance stages with the Office of Management and Budget to release the survey. Much like the first survey, the intent of this survey is to better understand how your work environment continues to be impacted by the pandemic, and how we can better support you.

Please be on the lookout for additional communication from Matt Johnson as USAID's Industry Liaison. If you do not yet receive [Industry Liaison updates via the listserv](#), we will provide a sign-up link in the script notes of this call, and, as always, please feel free to email IndustryLiaison@usaid.gov with any questions that may arise.

Another topic that I know many of you are closely watching is related to Section 889. For those that may not have been following this subject closely, Section 889 of the John S. McCain National Defense Authorization Act prohibits USAID and our partners from procuring or using certain "covered telecommunications equipment or services." The rule went into effect on August 13, 2020. USAID currently has the ability to provide a limited Foreign Assistance waiver on a case-by-case basis for our overseas programs until September of 2022, but we also realize giving the complexities of different overseas operating environments that this rule will very likely continue to have an impact on our programs beyond this date. We are continuing to meet within the interagency to discuss waiver applications and any potential additional flexibilities that could be available to USAID and others operating in an overseas environment. We will share any new developments with you all as soon as they are available.

I would like to pivot now to updates regarding [USAID's Acquisition and Assistance Strategy](#), or the A&A Strategy. As you may be aware, the Agency released the first-ever A&A strategy in December 2018. We are currently doing a stocktaking review of the strategy to determine priorities and how we can best update it for the future to advance development practices, innovate and adapt. A key part of this exercise will also be to continue to engage with you to

harness your thoughts and experiences to advance development goals and increase development impacts.

I would like to take an opportunity to highlight a few specific areas around the A&A strategy.

We have been working to refine and clearly communicate techniques like co-creation, fixed amount awards, and transition awards by issuing clarifying guidance and working to further equip our A&A community so they feel empowered to use these mechanisms. These approaches are helping us to lower barriers to entry for our partners, especially new, underutilized, and local partners.

The last year has continued to demonstrate the importance of adaptive management. We have been engaged in internal and external learning exercises that will help to further inform how we can enhance adaptive management approaches in our operations and award management, especially in light of the COVID-19 pandemic. Next week our Acquisition and Assistance Labs are doing a week-long workshop specifically on this topic. Our Contracting Officers, as well as other staff from around the world, are gathering to discuss how we can learn from this past year to be more adaptive in our programming. If you're interested in joining, partners are invited to participate in the Wednesday session. You can find a [link in the transcript](#) or reach out to IndustryLiaison@usaid.gov to join.

We are working to standardize and streamline our procurement mechanisms, so we are able to move quickly from idea to implementation by connecting design, procurement, and implementation. One way that we have done this is through the development of standardized checklists for common A&A actions.

Innovation is a major driver to take the Agency to the next level. In USAID's Office of Acquisition and Assistance, we've been working with a cross-Agency team to develop a database of deployable innovations to allow unique and innovative tools, approaches, ideas, and technologies to be shared across the Agency. A great deal of those innovations will apply to A&A functions.

We are also focusing our outreach efforts on reaching new and underutilized partners by creating opportunities to connect with USAID and learn more about how to work with us. Next week we will be hosting two separate how-to work with USAID workshops for organizations that are new to the Agency. The first workshop will be on Tuesday, March 16th at 9:00 am ET (register to join [here](#)). The second workshop will be on Wednesday, March 17th at 6:00 am ET (register to join [here](#)).

We are in the process of revamping the How to Work with USAID training modules available on USAID.gov. You can find the first updated modules on Branding and Marking, Preparing Progress Reports, and Monitoring, Evaluation, and Learning.

We are also working closely with the NPI team on the launch of the new platform workwithUSAID.org, which I know Arjun will highlight in a moment.

Additionally, if you're on LinkedIn, we encourage you to join our Work with USAID group.

As we look forward to new leadership under the Biden Administration, we will enhance our efforts to engage the wide spectrum that our partner community represents such as non-profits, for-profits, universities, U.S. Small Businesses, minority institutions, women owned businesses, veteran businesses, and HBCUs. We will also seek to advance new and underutilized partners, foster local capacity development that strengthens organizational performance, focus on adaptive management and innovative procurement practices, and ensure that our A&A community is trained and equipped to use new and innovative approaches.

Remarks from [John Watson](#)

Good morning all, as Matt said in the introduction, my name is John Watson, and I am the Acting Director of the Office of Small and Disadvantaged Business Utilization or OSDBU for short. The agency has experienced great success in partnering with small businesses over the past decade. Roughly ten years ago small business annual awards totaled \$98 Million dollars. Reporting data for FY20 was recently locked in by the Small Business Administration at \$923 Million dollars in prime small business awards for USAID which represents 14.9% of worldwide contract awards for the agency against a goal of 12%. FY21 small business goals are 12.51% for prime and 16% for sub-contracting.

OSDBU assists the agency in accomplishing its Small Business Administration goals by negotiating internal goals with each Bureau, independent office, and mission to serve as a target of achievement. Within our office the small business representative serves as the primary point of contact externally to understand how to do business with the agency and internally as a member of the acquisition team to help identify ways to partner with the small business community. I would strongly encourage small businesses to register in the Small Business Marketing Analysis tool (SB-Mart) database, the link (<https://sbmart.usaid.gov/business/premier-group-services-inc-61>) can be found on the OSDBU website. USAID acquisition & technical staff will use SB-MART as one of the market research tools to help them identify Small Businesses with the expertise and capabilities to perform on USAID A&A requirements.

Lastly, I would like to invite the small businesses in the audience today to register for the 14th Annual Small Business conference when it is announced on [Beta.SAM.gov](https://beta.sam.gov) and the OSDBU website. This year's virtual event will be held on May 6, 2021 and will be the agency's premier small business outreach activity. It will feature senior leadership participation from across the agency, break out panel discussions, an awards ceremony, exhibit hall and match making. Please don't miss this event!

Remarks from Deb Broderick

Category Management remains an **Agency Priority Goal (APG)**, with the focus for meeting this goal being contracts issued from Washington. As a refresher, in addition to being a USAID APG, Category Management is a Cross Agency Priority Goal, and Agency targets are set by OMB each year. USAID's FY21 targets are: \$204.39M obligated contract dollars for BIC, and \$3.85B obligated contract dollars for SUM. These are Agency level targets, and are not subdivided amongst Bureaus or between Washington and Missions. That said, the majority of of CM contract dollars will be obligated in Washington, due to the nature of the work in Washington versus the Missions. Washington B/IOs and COs are therefore our target audience when communicating Agency CM requirements. Outside of the IT Category, the majority of the Agency's contract dollars are spent in the Professional Services Category. OASIS is therefore our primary contract solution for meeting the Tier 3/BIC target. The Multiple Award Schedule (MAS) is our primary contract solution for Tier 2 and to help meet our SUM target.

A reminder that there are **two fields on the Business Forecast** that will help Industry understand whether or not USAID intends to issue a solicitation under a CM solution. If the "Award/Action Type" field indicates "Other Federal Order (FAR 16.505)" that is an indication that the CO intends to use another Federal Agency's contract to fulfill the requirement. In this situation, the "Category Management Contract Vehicle" field will most likely indicate OASIS and the appropriate OASIS Pool, or another BIC contract. If the "Award/Action Type" field indicates "GSA Schedule Order (FAR 8.405)" that is an indication that the CO intends to use the GSA Schedule to fulfill the requirement. In this situation, the "Category Management Contract Vehicle" field should indicate MAS and the SIN number associated with the procurement. If you find that the fields are mismatched or that the "Category Management Contract Vehicle" field does not display the correct information, please reach out to the CO indicated in the Forecast to request the information be corrected. The fields are new to both Industry and our COs, so it will take some time to build the habit of correctly completing the fields. We appreciated Industry working with us to make these fields as useful as possible.

Remarks from Arjun Tasker

Since its inception in 2019, the New Partnerships Initiative (NPI) has focused on improving how USAID works with organizations and diversifying our partner base through approaches that prioritize local engagement.

As of December 2020, NPI is now housed within the Local, Faith and Transformative (LFT) Hub of the Bureau for Development, Democracy, and Innovation. NPI's presence within DDI enables it to draw upon a variety of initiatives and hubs that are focused on diversifying and strengthening USAID's partnerships--including local actors, new partners, faith-based organizations, private sector industries and donors, as well as minority-serving institutions.

NPI collaborates across the Agency, particularly with the Management Bureau's Office of Acquisition and Assistance, to facilitate greater and more transparent engagement with partners like you.

The New Partnerships Incubator, a global service hub that supports present and future partners through capacity-building, co-creation, increased transparency, and training services. The Partnerships Incubator will soon be launching workwithUSAID.org, an online resource hub that offers organizations around the world a variety of services and curated tools, including automated pre-engagement assessments, customized readiness plans, a global partner directory, resource library, partner helpdesk, as well as ongoing USAID staff support. You can go to the website now to fill in your contact information so that you can be kept informed of the site's eventual full launch: workwithusaaid.org.

Although we cannot preview specific potential solicitations I can highlight that: i) in 2020, 77 Missions developed NPI Action Plans that detail their commitment to improve diversity, localize development, and increase engagement with local and nontraditional partners; ii) NPI Action Plans encompassed current and anticipated commitments for Fiscal Years 2019 through 2021. Missions have awarded or anticipate establishing 1069 activities for an estimated \$13 billion over this time period; iii) out of 1069 activities, more than 40% will be implemented in Africa, followed by Asia and Latin America and the Caribbean; iv) overall, almost 80% of the Missions indicated an intention to utilize co-creation and enhanced local capacity development; v) 68 Missions have initiated reporting of the Capacity Building and Local Development Indicator (CBLD-9) for FY21. Missions are reporting that 65% of the organizations they worked with in FY20 - about 5,000 organizations - showed improved performance.

The Agency wants to be more intentional and strategic about when and how it chooses to invest in local capacity development of its partners to advance sustainable development. The LCD Policy is an effort create a more unified policy around local capacity development. This will be a principles-based policy, which we believe is the most effective way to ensure that the policy is relevant in the long-term across sectors, countries, and different contexts, given the broad application of this common area of practice. We see this policy as strongly aligned with the emerging priorities of the Biden-Harris Administration. Effective local capacity development promotes diversity and inclusion in USAID programming and is central to good governance and anti-corruption. Local capacity development can also work to counter malign influences and improve our national security by empowering local actors. USAID plans to have a full first draft of the policy completed shortly and a two-week public comment period is slated for this summer. Following approval of the policy, we will launch a six month roll-out and

implementation plan.

[CBLD-9 measures](#) local capacity-building based on implementing partner organization's performance improvement in areas that advance its own objectives. For FY21, CBLD-9 Indicator Targets were lowered for both expected number of organizations showing improved performance as well as expected number of organizations supported with specific capacity development activities. However, USAID believes this indicates a better understanding of the indicator's intensive requirements, and will ultimately lead to more rigorous data, not a decrease in the amount of capacity development work.