EXECUTIVE SUMMARY

The Policy Framework is the United States Agency for International Development’s (USAID) highest-level policy document. It articulates USAID’s collective vision for international development, translates U.S. foreign policy goals into Agency priorities, and promotes coherence among our development, humanitarian, stabilization, and other crisis-response policies, the programs we implement, and the array of other actions we take to bring about positive and lasting change. It is a resource both for USAID staff and for our many partners. For staff, it serves as a basis for strategy, program, budget, and operational planning, overseas and in headquarters. For partners, it lays out our objectives and how we aim to achieve them, and it supports collaboration and mutual accountability.

We are at a decisive juncture. Advancing USAID’s mission is as critical today as ever, as compounding shocks and rising headwinds imperil development progress, undermine democracy, and unsettle global stability. In this daunting moment, the United States must offer bold leadership and more inclusive partnerships to extend the reach of human dignity, as we work to expand prosperity, peace, and freedom globally—especially in communities too often left behind.

For 60 years, this has been USAID’s mission. We were made for this moment, and this Policy Framework is our roadmap for rising to it. It establishes three overarching priorities—for the ends we seek, the ways in which we seek them, and the means by which we will do so.

OVERVIEW:

I. **Confront the greatest challenges of our time**

USAID works in more than 100 countries around the world. In each, the constraints to development progress are unique and complex. But a set of intersecting and generational challenges threaten development worldwide. USAID will concentrate efforts on and mobilize action to:

- Respond to **compounding humanitarian crises** while building **food-secure and resilient communities**.
- Stem the tide of **corruption and authoritarianism** while spurring **democratic renewal**.
- Tackle the **climate crisis** while reorienting to a **net-zero future**.
- Reverse the **loss of global life expectancy** and control **COVID-19** while strengthening **primary care and global health security**.
- Mitigate **conflict, inequality, and other barriers to progress** while revitalizing **sustainable development systems**

➤ **Spotlight on what we do**: USAID’s core competencies

II. **Prioritize progress beyond programs**

To rise to the moment, we must change *how* we work—within USAID, in the wider development community, and in the national security and international policy domain at large. USAID will offer both bold leadership and more inclusive partnerships.

A. **Exercise bold development leadership.** USAID must use all of the tools at our disposal. We currently program nearly $30 billion in foreign assistance each year, but
given the scope of today’s challenges, assistance alone will never be enough. Lasting progress requires collective action, creative problem-solving, and courageous champions, and we must support these through whatever means we can muster. USAID will:

- Approach our work more catalytically.
- Elevate the practice of development diplomacy.
- Better integrate humanitarian, development, and peacebuilding actions.

➤ Spotlight on localization: Supporting local leadership, systems, and capacity

B. Embrace more inclusive development partnerships. USAID must be open to new partners, new insights, and new voices to support and sustain progress, especially local ones. Fundamentally, we must shift the power dynamic within development cooperation to elevate the voices of partner-country communities. USAID staff have always sought innovative ways to partner, but today’s challenges are too complex for business as usual. We must reorient our work to ensure local actors are in the driver’s seat and welcome a much wider array of partners into the development tent as true collaborators. USAID will:

- Diversify our partners and partnerships, especially locally.
- Be more responsive to people’s needs and feedback.
- Advance equity, equality, and inclusion everywhere we work.

➤ Spotlight on applying global priorities to context: A rubric for policy implementation

III. Invest in USAID’s enduring effectiveness
Change will not be easy. Over time, USAID has been buffeted by forces that have made us more sclerotic, constraining our ability to adapt or direct resources to emerging priorities. While USAID has transformed itself before, we must continue to do so with an added urgency to meet the moment. We must innovate, evolve, break down bureaucratic burdens, and continue to push the envelope of development cooperation even further. We also must be willing to make tradeoffs and to engage in concerted dialogue with policymakers and stakeholders outside the Agency. And to execute this vision, we must have the staff to do so, bringing to bear the skills we need to be effective in today’s (and tomorrow’s) development landscape and fully representing our country’s rich diversity. USAID will:

- Expand, empower, and diversify our workforce.
- Align policy, strategies, resources, and learning.
- Enhance operations to lead and partner more effectively.
I. CONFRONT THE GREATEST CHALLENGES OF OUR TIME

When Americans extend aid to those in need, we make the world freer, more peaceful, and more prosperous. Acting on this conviction, President Kennedy signed an executive order to establish USAID on November 3, 1961. Today, more than 60 years later, America’s investment in global development, with USAID at its center, is more important than ever. The United States’ enduring commitment to development cooperation—including humanitarian, stabilization, and other crisis-response efforts—saves lives, expands wellbeing, and helps individuals everywhere enjoy the dignity each person deserves. We now face a moment of urgent and intersecting crises, which USAID’s leadership and partnership can help to overcome.

USAID’s mission to work tirelessly toward the day we can end the scourge of persistent poverty, conflict, and oppression is a moral imperative, but also a strategic one. Alongside diplomacy and defense, U.S. development cooperation is a pillar of our national security, international strength, and principled engagement abroad, as the Department of State and USAID Joint Strategic Plan and forthcoming National Security Memorandum on Global and Development and U.S. National Security Strategy affirm. USAID helps manage transnational challenges and global commons, curb threats at their source, empower allies and partners, and expand markets for the businesses and consumers who are the backbone of a flourishing American middle class. Our assistance enables the United States to realize a foreign policy that puts our workers, families, and communities at its center; demonstrate that democracies deliver what people need, not just essential services but security, liberty, and justice; enact an integrated approach to deterring adversaries who escalate hostilities and undermine a rules-based international order; and invest in infrastructure and the global architecture to build back better from today’s crises and forestall looming threats. To this end, the United States has recommitted itself to advancing the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.

We work in more than 100 countries and in an array of program areas to advance development progress: the societal process of expanding opportunity, improving health and wellbeing, upholding human rights and security, and realizing each person’s agency and potential. In each context, the constraints are unique and complex. But a set of global threats imperil progress everywhere, slowing forward momentum, unwinding hard-won gains, miring certain countries in protracted crises, and excluding far too many people in all societies from the promise of dignity.

USAID will concentrate our efforts on confronting five generational challenges, which impede inclusive, sustainable development and threaten Americans in kind: (1) compounding humanitarian crises; (2) corruption and authoritarianism; (3) the climate crisis; (4) lost global life expectancy and COVID-19; and (5) conflict, inequality, and wider barriers to progress. In every USAID Mission and in headquarters, we will consider how to use targeted programs, collaborate across sectors, and leverage our wider toolkit to confront these, the greatest challenges of our time.

In facing this adversity, however, there lies enormous opportunity, if we summon the resolve to meet it. We have an opportunity to listen to and learn from local and marginalized voices, to use our tools more cohesively and impactfully, to elevate USAID’s unique perspective in U.S. national security deliberations and the global policy dialogue, and ultimately to reverse dismaying trendlines and usher in a new era of rapid and widely shared progress.
RESPOND TO COMPOUNDING HUMANITARIAN CRISSES WHILE BUILDING FOOD-SECURE AND RESILIENT COMMUNITIES

Humanitarian aid is growing but not fast enough to keep pace with spiraling needs. More conflicts rage today than at any time since the Cold War, and more people are displaced than ever before.1 Russia’s unprovoked and unjustified war has not only brought death, destruction, and devastation to the people of Ukraine, it has exacerbated a global food crisis, leading to a surge in acute needs globally, particularly in countries reliant on Ukrainian wheat and fertilizer exports. In recent years, the United States and international partners have invested heavily in a number of crisis contexts. Humanitarian assistance has saved many lives, and stabilization, crisis-response, and development efforts have helped reinforce health, education, justice, and other critical systems. Too often, however, U.S. engagement has failed to address the deeper sources of fragility, build lasting resilience to shocks and stresses, or seek an end to vicious cycles of crisis. In some cases, surges of assistance and state-building efforts have undermined local ownership, fed corruption and exclusion, and distorted markets. We must learn from past interventions; deliberately pair immediate humanitarian action with both longer-term humanitarian and development efforts to support early-recovery, risk-reduction, and resilience; strengthen broader coherence among humanitarian, development, and peacebuilding activities; and work with our international partners to mobilize the resources, reforms, and concerted action needed to meet people’s most urgent needs while paving the way to lasting recovery.

USAID is strengthening our integrated approach to principled humanitarian relief, recovery, and resilience. The forthcoming USAID Humanitarian Action Policy calls on us to deliver impartial, life-saving, needs-based humanitarian aid to those most in need and to leverage our role and resources as the largest humanitarian donor to strengthen the international humanitarian system. At the same time, we will improve coherence in those contexts at the nexus of humanitarian, development, and peacebuilding efforts—such as complex crises and areas with prolonged displacement—and enhance multilateral mechanisms that do the same, to unwind protracted or recurrent crises and help communities build resilience. USAID’s updated Resilience Policy, drawing on the lessons from a decade of implementation, maintains focus on areas of recurrent crisis while expanding efforts to reduce chronic vulnerability and integrating resilience and risk-mitigation practices into programs everywhere USAID works.

As the global food crisis lays bare, there are also persistent vulnerabilities in food and water systems vital to people’s lives and livelihoods. The U.S. Global Food Security Strategy calls for an integrated, systems-focused approach to sustainable agriculture, risk-management and community resilience, and nutrition investments. The U.S. Government has also expanded Feed the Future, the flagship global food security initiative led by USAID, to eight new countries, including those vulnerable to the effects of Russia’s invasion of Ukraine, and we have expanded both humanitarian and development assistance to combat the effects of high food, fuel, and fertilizer prices in the countries that need it most. Likewise, the forthcoming USAID Implementation Plan for the Global Water Strategy calls for expanding access to, management of, and financing for sustainable drinking water and sanitation services. Together, these strategies and our recent commitments that build on them will help us lay the groundwork for sustainably reducing extreme poverty, hunger, malnutrition, and chronic vulnerability to shocks.

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STEM THE TIDE OF CORRUPTION AND AUTHORITARIANISM WHILE SPURRING DEMOCRATIC RENEWAL

Democracy is under threat around the world, but it is poised for a comeback. Freedom has ebbed globally for 16 years running, and the essential and universal principles that unite all free people—the rule of law, free and fair elections, freedom of expression, assembly, religion, and the press—are being subverted by the forces of autocracy. Savvy authoritarians are learning from one another and sharpening their tools for repression. Yet from Russia’s reckless and desperate bid to assert control in Ukraine to the People’s Republic of China’s (PRC) severe and self-defeating COVID-19 lockdowns, we see now how hollow is the rhetoric of dictators and despots. Rather than providing a fast-track to development, as once promised, non-democracies in fact grow more slowly, on average, than democracies—amounting to 20 percent lower GDP per capita over a generation. But democracies must visibly demonstrate they deliver for their citizens in ways authoritarians cannot. We must be proactive in helping emerging democracies cement gains by providing short-term economic dividends, and seizing opportunities to reassert democracy’s potential.

USAID is helping partners push back against the twin menaces of resurgent authoritarianism and transnational corruption. The U.S. Government has undertaken bold and coordinated action to spur democratic renewal and halt the spread of authoritarianism, including in the Presidential Initiative for Democratic Renewal. In emerging democracies, we will be more nimble and mobilize rapid support—not just democracy programming, but in whatever areas respond to emerging needs—to bolster reformers and nonviolent mass movements to help sustain and solidify gains. Where the light of democracy is dimmer, we will protect human rights, promote social cohesion, and help build democratic institutions. Across contexts, we will combat corruption and its corrosive effects. The forthcoming USAID Democracy, Human Rights, and Governance Policy and Action Plan on Countering Corruption call on us to strengthen and harness democratic alliances; expand our work to promote and defend press freedoms, vibrant civil society, and other universal human rights; and develop new tools and approaches to surge support to leaders and reformers amid openings or to directly counter autocratization. We will also adopt a more comprehensive approach to anti-corruption and integrate it across program areas, grounded in coalition-building, interagency collaboration, innovation, and agility.

We recognize, too, that outside actors are accelerating authoritarian trends, through global investment and engagement that lacks transparency, bolsters surveillance and digital control, and weakens civil society and accountable governance. We will reinforce an affirmative, rules-based, rights-respecting, inclusive, and sustainable development model and support partner countries in preserving independence from and building resilience to undue outside influence. We will help them develop open and secure digital ecosystems, withstand interference and information distortion, protect the environment and sustainably manage natural resources, and counter economic coercion. We will also ramp up efforts to counter digital authoritarianism and mis-, dis-, and mal-information, protect independent media, and defend the integrity of elections against cyberintrusions.

TACKLE THE CLIMATE CRISIS WHILE REORIENTING TO A NET-ZERO FUTURE

The climate crisis is already upon us, and its impacts will only become more severe. We are seeing a surge in droughts, storms, food shortages, and other extreme weather events, as well as environmental degradation, slowed gains in agricultural productivity, and climate-driven migration. In order to achieve our common climate goals and ensure energy security, we must help countries adapt as we support their efforts to grow sustainably and seize the opportunities of a clean-energy transition.

USAID is taking ambitious and focused action both to forestall climate catastrophe and build economies that expand opportunity sustainably. The USAID Climate Strategy (2022-2030) calls on us to target climate mitigation and adaptation efforts to the highest-priority communities—those with the most urgent needs or most immediate opportunities—and to, in parallel, take a systemic approach to more comprehensively and equitably support locally led transformation, such as to make food systems more resilient, less wasteful, and less environmentally destructive, or to accelerate transitions to less carbon-intensive economies. As we enable economic growth that is less reliant on fossil fuels, we also support energy security and independence. The U.S. Government is supporting countries and communities around the world in their efforts to adapt to and manage the impacts of climate change through the President’s Emergency Plan for Adaptation and Resilience (PREPARE), under which USAID has set concrete targets. We are also doing our part within USAID to reduce our own carbon emissions, adapt to climate change, and advance climate justice, and we support and expect our implementing partners to do the same.

REVERSE THE LOSS OF GLOBAL LIFE EXPECTANCY AND CONTROL COVID-19 WHILE STRENGTHENING PRIMARY CARE AND GLOBAL HEALTH SECURITY

COVID-19 proves that the frailties of our global health system endanger us all. The pandemic has taken more than 15 million people’s lives, leading to the first reduction in global life expectancy in more than a century—a tragic loss of life, not only from COVID-19 itself, but also from the pandemic’s rollback of development gains and damage to wider health systems, food systems, and economies. Continuing COVID-19 surges and other disease outbreaks, on top of the ravages of climate-related shocks, conflicts, and other threats to life and wellbeing, make for a persistent global health challenge. We must focus on making COVID-19 a manageable endemic respiratory illness, strengthening global health care, and reclaiming gains in life expectancy—which will require, above all, strengthening the primary health care workforce and the systems that support it.

USAID is leveraging our substantial global health presence and investments to meet urgent needs while strengthening health systems for the long term. USAID is helping to control COVID-19 and enhance the world’s capacity to meet new health threats. We are adapting programs in real-time for strengthening service delivery to reduce maternal and child deaths, control infectious diseases, and bring an end to HIV/AIDS, tuberculosis, and malaria. Primary care is the heart of resilient health systems and health workers are their lifeblood. We will build a

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stronger primary health workforce that can flex to shifting needs and save the most lives. The USAID Implementation Plan for the U.S. COVID-19 Global Response and Recovery Framework and forthcoming USAID Implementation Plan for the U.S. National Biodefense Strategy leverage our national and community-level health programming to enable partner countries to control COVID-19 by closing gaps in vaccination, testing, oxygen, and other critical treatments. At the same time, we are using our financial resources, technical expertise, and targeted advocacy to strengthen systems to prevent, detect, and respond to emerging infectious diseases at every level, from community-based care to multilateral institutions.

MITIGATE CONFLICT, INEQUALITY, AND OTHER BARRIERS TO PROGRESS WHILE REVITALIZING SUSTAINABLE DEVELOPMENT SYSTEMS

Beneath today’s crises lies a global order under stress. The overlapping shocks of the pandemic, climate change, and democratic decline test the capacity of critical systems, from multilateral institutions to supply chains to news media. Putin’s war on Ukraine has only intensified their damage by violating indispensable norms and destabilizing global markets. Yet, even before the war, systems were already beginning to crack from widening inequalities within societies, simmering violence and social cleavages, and surging headwinds—rising inflation, stagnating growth, ballooning debt. Indeed, people everywhere, including in the United States, are reckoning with entrenched and pervasive racial, gender, and other inequities that permeate our societies. Together, these strains are fraying the bonds that sustain peace, shared prosperity, individual freedom, and a rules-based international order. At their roots are fundamentally developmental problems: institutional weaknesses, market and coordination failures, barriers to access and opportunity, systemic inequality, citizen discontent, social fragmentation. We have tools to address these, but we must use them more cohesively and strategically to revitalize those systems that are most critical to sustainable development progress and enduring resilience, both within countries and across them.

USAID is drawing on our global presence to strengthen systems that underpin development. Our multi-level partnerships, from grassroots programming to engagement in multilateral forums, position us to reinforce and revitalize the systems that deliver what people need: peace and security, food and water, health care and education, energy and infrastructure, inclusive economic opportunity, justice and the rule of law, responsive and representative governance, and timely and fact-based information. We will enhance integrated approaches where needs or risks are significant and opportunities for impact are present, from improving learning outcomes in education systems disrupted by the pandemic to building economic resilience in the face of global stagflation. In the most fragile settings, we will sharpen our focus on prevention before conflicts erupt, peacebuilding to help bring persistent violence to an end, and broader investments to help countries onto paths toward rapid and broad-based development. The U.S. Strategy to Prevent Conflict and Promote Stability calls on us to use our integrated toolkit—localized and multi-sectoral assistance, diplomacy, security cooperation, and other tools—to reduce the drivers of fragility: ineffective or unresponsive governance, weak social cohesion, and corrupt or illegitimate institutions or leaders.

Across contexts, widespread inequities undermine the effectiveness of development systems, and exclusion can sow instability. For societies to thrive, women and girls, men and boys, and gender-diverse individuals must have equal rights and opportunities, including equitable and safe access to capital, land, technology, markets, education, health care, justice, and other essential
resources. The updated USAID Gender Equality and Women’s Empowerment Policy and LGBTQI+ Policy, as well as the U.S. strategies on Gender-Based Violence and Women, Peace, and Security, recognize we must do more to invest in and empower women, girls, and LGBTQI+ individuals everywhere. Our commitment to women’s freedom, equality, health, and wellbeing—under threat in many places, including our own country—is steadfast, including to advance sexual and reproductive health and rights. We also are updating the wider suite of policies for inclusive development, including on Disability, Indigenous Peoples, Mental Health and Psychosocial Support, and Youth—each essential to ensuring development both equitably serves and fully capitalizes on the ideas, talents, and actions of everyone in society.
SPOTLIGHT ON

What We Do: USAID’s Core Competencies

USAID’s work spans sectors and regions. It includes development initiatives, such as the President’s Malaria Initiative and Feed the Future; implementation of global strategies, such as the National Strategy on Gender Equity and Equality and U.S. Strategy to Anticipate, Prevent, and Respond to Atrocities; implementation of regional strategies, such as the U.S. Strategy to Address the Root Causes of Migration in Central America and Indo-Pacific Strategy; humanitarian responses, including multiple Disaster Assistance Response Teams; stabilization, transition, and crisis-response efforts, such as Transition Initiatives and Complex Crises Fund activities; and many other efforts. USAID has detailed policy guidance on many of these topics, which we continually update to reflect new risks and opportunities, advances in good practice, and lessons learned. USAID’s Policy Registry contains all active policies.

PROGRAM AREAS

- Humanitarian response, early recovery, risk reduction, and resilience
- Health and wellbeing, health systems, and health security
- Inclusive economic growth, economic resilience, market development, entrepreneurship, and poverty-reduction
- Democratic governance, human rights, rule of law, and anti-corruption
- Education, learning, and human and social capital
- Food and water security, resilient food systems, agriculture, and nutrition
- Climate action, environmental conservation, natural-resource management, renewable energy, and resilient infrastructure
- Gender equality and women’s empowerment
- Inclusive development, youth empowerment, and protection of vulnerable children and families
- Conflict and violence prevention, peacebuilding, and stabilization

PRACTICE AREAS

- Private-sector engagement
- Local, faith-based, and transformative partnerships
- Innovation, technology, and research
- Impact evaluation and performance monitoring
- Knowledge management and organizational learning
- Collaborating, learning, and adapting

II. PRIORITIZE PROGRESS BEYOND PROGRAMS

USAID is the Agency for International Development, not the Agency for Foreign Assistance. That is, our mission is larger than the means by which we pursue it: we must focus on the enduring progress of our partner nations, not just the programs we administer to support it. No amount of assistance is commensurate with the problems we and our partners face. We must widen the aperture of our approach to problem-solving of all kinds. We have seen, for instance, an unrelenting rise in humanitarian needs, as conflict and climate change fuel impoverishment and displacement. We cannot reverse this trend with aid dollars alone. We have also seen novel threats emerge, from the spread of disinformation on social media to an unsustainable rise in public and private debt, as we have also seen traditional ways of working fall short and power imbalances hinder progress for so many people. These call for new ways of working with new types of partners. Lasting change at a significant scale requires creative thinking, collective action, and courageous champions, which we must endeavor to support through whatever means we can muster.

To prioritize progress beyond our programs, USAID must be bold in our leadership and more inclusive in our partnerships. We will use financial investment, technical assistance, advocacy, and the other tools at our disposal to help accelerate, sustain, and cement progress, especially in emerging democratic bright spots that can demonstrate democracy delivers. We must be able to
pivot to support tangible projects when reformers and activists have a fleeting window to seize momentum and consolidate change before insiders and spoilers clamp down and wrest back power. In those places where the light of freedom is dimmer, we will seek ways to empower change agents and democratic coalitions and help them demand reform, and shine a light on autocrats, kleptocrats, and oligarchs in the darkest corners of the map. In short, we need to reimagine how we work, thoughtfully but expeditiously, and broaden our definition of success.

A. Exercise Bold Development Leadership

We must seek lasting impact not merely programmatic results, approaching our work first as problem-solvers, rather than programmers. At times, this may mean adopting a different mindset from the one to which we are accustomed, or that has been hardwired in our procedures and ingrained in our organizational culture. It will entail working in new and different ways and being willing to end cycles of year-on-year programming that fail to have a substantial impact. We must use our resources—$30 billion in assistance each year, but also our expertise, relationships, advocacy, and policy voice—to back reform, catalyze action, leverage financing from outside the government, spark innovation, and inspire change to help address the challenges at hand and those that lie ahead.

USAID will approach our work more catalytically, elevate the practice of development diplomacy, and better integrate humanitarian, development, and peacebuilding actions. These practices are not new to us, but we will redouble our efforts to instill them in our work and give USAID staff the time, space, and mandate to be leaders.

APPROACH OUR WORK MORE CATALYTICALLY

We are most effective when we act as a catalyst. We can identify a problem—say, lagging learning outcomes in an underserved area or the vulnerability of pastoralist communities to increasingly frequent droughts—allocate resources to address it, and then design a targeted program commensurate with those resources. The results will be meaningful but often far short of the transformative change we hope to see or that communities deserve. In contrast, we can treat each program as an opening to attract many times more resources, mobilize broader action or reform, and around which to use our convening power and other tools. That is, the results are not the goods and services we provide but the change we help initiate or accelerate. To be more catalytic, we must engage a wider array of partners, both in-country and internationally, to bring more resources to the table and foster coalitions around shared solutions. We also must be more nimble, to mitigate risks that emerge and respond to opportunities that arise. This is especially important in the face of greater volatility, as the world becomes more interconnected, digital technology more accessible, ecosystems more vulnerable, political power more unstable, and the geopolitical landscape more contested. Yet this volatility can also lead to moments of rapid, positive change—political openings, peace deals, breakthrough medicines and technologies—that we must do more to anticipate and be prepared to seize.

USAID will use our finite resources to spark wider change. Building on USAID’s Private-Sector Engagement Policy, we will connect disparate initiatives and scale up models to engage businesses, investors, and foundations and form other catalytic partnerships. These potential partners are not just sources of financing but powerful economic, social, and political forces in their own right, who can contribute to sustainable development—or, if not of like mind, stymie
it. So we will push new and longstanding partners, alike, to act ethically, responsibly, inclusively, and to advocate for positive reform. To be more attuned to future risks and opportunities, we will also expand and sync tools for forecasting, early-warning, and strategic foresight. We will build on well-established models, such as the Famine Early-Warning System (FEWS NET) and the web-based geospatial platform for climate data SERVIR, and invest in wider foresight capabilities—scenario-planning, red-teaming, policy-gaming, trends analysis, and horizon-scanning—that will help us plan and prepare for the future, especially for high-impact but hard-to-predict events. At the same time, we will invest in other analytic tools, such as updated Country Roadmaps and a suite of data dashboards, to help USAID staff and partners make more data-informed decisions. To act on this analysis, we will create more space for Missions to design and implement creative, adaptable solutions to complex problems, such as by expediting procurement procedures and by considering potential humanitarian or other urgent needs during country-level strategic planning. We will also make use of scenario-based logic models or other iterative planning tools, rather than rigid results frameworks, especially in fragile or other dynamic contexts. We will standardize and scale adaptive management and shock-responsive good practices, such as crisis modifiers in awards, and use tools, such as political economy analysis and risk and resilience assessments, to inform our work, recognizing that we must think and work politically in all contexts where USAID works.

**ELEVATE THE PRACTICE OF DEVELOPMENT DIPLOMACY**

There are multiple avenues through which we can effect change, and we must use them all. USAID has a unique and invaluable voice in policy discussions. Our expansive Mission footprint and on-the-ground presence, longstanding relationships with local and international partners, deep contextual understanding, technical expertise, long-term perspective, and the values embedded in our mission improve policy decisions and inform the viability of policy implementation. We must amplify this voice. In the field, we must use our relationships with local leaders, multilateral and international financial institutions, fellow donors, and U.S. firms, universities, and other key partners to mobilize financial and other resources, sync actions, achieve economies of scale, and encourage policy reform and collective action. In the U.S. interagency, we must draw on our extensive technical expertise and field experience to bring contextual understanding, a development perspective, and our values as an Agency to foreign policy and national security deliberations. In multilateral forums, we must leverage our formal roles, such as seats on the executive boards of UN funds and programs, and informal relationships to shape decisions, norms, and the global conversation.

**USAID will use our networks, convening power, expertise, advocacy platforms, thought leadership, and policy voice to advance our mission.** At overseas posts and in headquarters, we will coordinate closely with diplomatic, defense, and other interagency counterparts to advance development objectives and shape and support broader foreign policy goals. Assistance is a dynamic, versatile instrument but ultimately just one component of the foreign policy toolkit. So we will seek ways to strengthen collaboration, such as leveraging our role as part of the U.S. Country Team and co-deployment of development professionals alongside military colleagues where security conditions permit. We will also work actively with UN agencies, multilateral development banks, other international financial institutions, regional organizations, multi-stakeholder partnerships and platforms, and other international organizations, as well as fellow bilateral donors and other international development and humanitarian agencies, to coordinate efforts, reduce duplication, fill gaps, connect country-level activities to global forums and
initiatives, and amplify local voices therein. We will also build translocal connections by helping to link local leaders, reformers, organizers, and activists across geographies, building networks to share good practices and spur momentum.

**BETTER INTEGRATE HUMANITARIAN, DEVELOPMENT, AND PEACEBUILDING ACTIONS**

The global and overlapping nature of today’s challenges test our model for bilateral engagement and its rigid sectoral silos. More than three-quarters of the countries in which USAID operates are in or recovering from conflict and other types of crisis. In a growing number of contexts, we simultaneously provide humanitarian relief, implement a portfolio of development programs—including under global initiatives, such as Feed the Future and the President’s Emergency Plan for AIDS Relief (PEPFAR)—and engage in conflict prevention, stabilization, political transition, or peacebuilding activities. Increasingly, these crises also span national borders—say, as violent extremist movements metastasize or environmental degradation drives displacement. Too often, however, these lines of effort are disconnected. We must act with due urgency and deliberate speed when crisis strikes, but we must always approach our work with a unity of purpose and keep an eye on the importance of connecting humanitarian, stabilization, and other crisis responses to long-term development goals.

USAID will better layer, sequence, and integrate life-saving humanitarian aid, development programming, and peacebuilding activities. Building on our *Programming Considerations for Humanitarian-Development-Peace (HDP) Coherence*, which provides a playbook for aligning HDP efforts, integrated teams of humanitarian, development, and peacebuilding experts, including stabilization or other crisis-response leads, we will work together to identify common problems, design responses, learn, and adapt. We will adopt more integrated country strategies that capture the full breadth of our development cooperation in one cohesive framework. These will apply a Program Cycle approach to all programs, including those managed in headquarters, to better align our activities, while affirming humanitarian principles and safeguarding the needs-based foundations of relief work. We will project these same principles outward, as well, in our engagement with fellow bilateral donors, UN agencies, multilateral development banks, and other partners, and encourage and support stronger coordination, better tailored programming, and more predictable and flexible financing at the nexus of HDP action. We will also enhance our coordination with interagency partners, including the Departments of State and Defense, through implementation of the Global Fragility Act and in similar platforms, as well as our constructive engagement with security actors and other organizations who are critical to—but also potential spoilers of—peacebuilding and reconciliation. We will incorporate conflict-sensitivity, human rights, environmental- and social-impact assessment, and other risk-reduction considerations across program areas, to improve alignment between sectoral approaches and broader peace- and resilience-building goals and reduce risk that our programs inadvertently fuel conflict or have other adverse impacts.

**SPOTLIGHT ON**

**Localization:** Supporting Local Leadership, Systems, and Capacity

Development is an inherently local process; it simply cannot happen without local knowledge, local ownership, and local action. Enacting sustainable solutions to today’s most pressing challenges requires the agency of those most affected by and most invested in overcoming them.
USAID is renewing our commitment to localization. This is about more than just making awards to local partners, although that is part of it. It also entails incorporating local voices into all aspects of our work and creating space for local leadership and for local communities to influence where, how, and for what purpose we invest together in development progress. Our approach has four core components.

**Adapt our policies and programs** to foster locally sustained change that is grounded in the conditions, drivers of change, and barriers to progress unique to each context, through:

- **Locally led development**: A process by which local actors set their own development agendas; develop and implement solutions; bring the capacity, leadership, and resources to promote equitable change; and ensure that positive outcomes can be sustained by local people, for local people.

- **Local systems practices**: A lens we use to understand development outcomes and propose interventions to achieve sustainability by deepening interrelationships among local actors, improving equity, and aligning the incentives that shape sustainable development systems.

- **Local capacity strengthening**: A set of approaches that support local actors to achieve their own goals, take action to design and implement equitable responses to local challenges, learn and adapt, and innovate and transform over time. A new *Local Capacity Strengthening Policy* will inform work across sectors to sustainably support capacity-building at the local level.

**Change the power dynamics** with USAID staff, intermediaries, and other donors to ensure a meaningful seat at the table for local actors, with a focus on marginalized and underrepresented populations. Reflecting our broader commitment to the principle, “Nothing about Us without Us,” we will devolve more leadership and ownership to local actors and reposition USAID as a champion of and catalyst for inclusive and locally led development.

**Channel a higher portion of assistance** directly to credible and accountable local partners while ensuring accountability. Our localization practice will reconcile the Agency’s tendency to emphasize local awards as the primary means to advance localization with a more comprehensive set of approaches that meaningfully and equitably empower local actors.

**Serve as a global advocate and thought-leader**, using development diplomacy to shift thinking, redefine roles, and reform practices across the development community. Within the U.S. interagency, we will work to ensure our approaches to localization align and that resource requests reflect this vision.

To these ends, we are harmonizing existing efforts, such as Local Works, the New Partnerships Initiative, the Cooperative Development Program, and government-to-government (G2G) assistance. We have also launched new efforts, such as Centroamérica Local, a $300 million, five-year program to stimulate growth, improve governance, fight corruption, protect human rights, strengthen citizen security, and combat sexual and gender-based violence directly through local organizations and communities in El Salvador, Guatemala, and Honduras. Across these efforts, we are working with stakeholders outside USAID to ensure we have the authorities and resources needed for a truly localized approach. We are also establishing measures of success and galvanizing support among implementing partners, learning from their experiences, and sharing our own to strengthen wider practices. All of these efforts are closely linked to those to diversify our partners, be more responsive to people’s needs, advance equity and inclusion everywhere work, and to ensure that all people, especially those who are marginalized or underrepresented, can fully and actively participate in and benefit from development progress.

**B. Embrace More Inclusive Development Partnerships**

USAID must be open to new partners, new insights, and new voices. We are past the era in which experts in Washington and other capitals in the Global North dream up development
agendas or establish goals for partner countries. But only those with power can exercise power. We must expand our very conception of the development community and approach development cooperation with more empathy, humanity, and humility. We have to reorient our work to ensure local partners are in the driver’s seat, and we must welcome and seek out more diverse partners as collaborators—businesses, faith communities, women-led organizations, diasporas, minority-serving institutions. We must especially seek the perspectives and focus on the needs of those most marginalized in society and move away from approaches that cater to elites. We also must be more humble about what we do—and do not—know. Rather than approaching development problems with preconceived solutions, we must listen to local voices, understand human behavior, experiment with new approaches, learn from our successes and especially from our failures, and intentionally seek equity in development outcomes.

USAID will diversify our partners and partnerships, be more responsive to people’s needs and feedback, and advance equity, equality, and inclusion everywhere we work. USAID staff have continually sought ways to push the envelope and expand with whom and how we partner, and we must build on these efforts.

DIVERSIFY OUR PARTNERS AND PARTNERSHIPS, ESPECIALLY LOCALLY

Greater development impact requires a bigger development tent. If we rely only on a small set of partners, we will inevitably set upon a narrow range of solutions. In recent years, we have invested substantially in building new, transformative partnerships—with local organizations, businesses, universities, foundations, investors, faith-based partners, emerging donors, and many others. Yet, too often, these projects are one-offs, rather than being taken to scale or made a standard practice in our work. We must continue to push the envelope, expand the scope and scale of these efforts, and seek out new partners and ways of partnering.

USAID will reduce barriers to partnering with us, especially for local organizations and those representing marginalized or underrepresented groups. To make it easier to work with us, we are building out WorkwithUSAID.org, and we will remove procedural impediments to and improve incentives for collaboration with new and non-traditional partners. Updated New Partnerships Initiative guidance, for example, incorporates directives to advance equity and support underserved communities. These reforms will help us realize our commitments to provide at least one-quarter of program funds directly to local partners by the end of 2025 and to have local communities co-design, set priorities on, drive implementation of, or evaluate the impact of at least half of our programs by 2030. We also launched a flexible fund for private-sector engagement, and we will establish a more cohesive relationship-management system to better engage private-sector organizations, international financial institutions, and interagency counterparts, including the U.S. Development Finance Corporation, Millennium Challenge Corporation, and the Departments of Commerce, Health and Human Services, State, and the Treasury. We will also support capacity in the field and look to recruit, train, and retain staff with the necessary expertise to manage more diverse portfolios and facilitate strategic partnerships, including with actors with whom we have not traditionally worked. At the same time, we will put in place safeguards to mitigate potential downsides of working with a wider range of private-sector and other actors, such as labor and human rights abuses, corruption, the spread of misinformation, vulnerability to malicious actors, and widening digital divides that aggravate deeper inequalities.
BE MORE RESPONSIVE TO PEOPLE’S NEEDS AND FEEDBACK

The most intractable constraints to development tend not to be financial or technical but fundamentally human. They result from the choices people make, the information available to make them, who has power and how they wield it, and the ways in which individuals, social groups, and institutions interact. Effective development cooperation requires understanding human behavior, not on the basis of intuition but through real-world observation and data. USAID is a leading funder of research on behavioral science in international development, but we must expand application of behavioral economics, human-centered design, political economy analysis, and behavior-change communications. We must also be humble and honest about what we know and understand—and what we do not—and be willing to fail and to learn from efforts that do not work or work as expected. For example, evidence shows that individuals often sacrifice material interests to comply with social norms, and that they often have an overwhelming attachment to the status quo.\(^7\) We must meet people where and as they are.

USAID will draw on behavioral insights to question assumptions that guide our programs—about how people respond to incentives, how they process information, and how they react to risk. We will establish an Office of the Chief Economist, with a new behavioral science and experimental economics unit. This team will support the use and integration of behavioral and experimental methods across programs, building the evidence base on behaviorally informed policies and programs, and the uptake of emerging behavioral, experimental, and human-centered design methods. It will reinforce ongoing co-design and co-creation efforts and coordinate closely with teams leading contextual analysis, such as political economy, gender, and social inclusion analyses. We will also test our assumptions in real-world environments and more rigorously assess cost-benefit, such as by using cash benchmarking to ensure our programs add value. Using experimental design more widely—say, by methodically varying a single factor or bundle of factors, one at a time, and observing the impact on a targeted outcome—will help instill in our approaches the understanding that people’s behavior often departs from what we expect. We will also strengthen our geographic approach to development, combining geospatial data and expertise to better understand where needs and opportunities overlap. USAID’s forthcoming Geospatial Strategy will define our toolkit and delineate principles and good practices for a place-based approach to development cooperation. This will help us identify particular areas of vulnerability or opportunities for intervention, communities in particular need or that are being excluded from the benefits of development programs, and how to layer programs and other efforts for optimal impact. We will also invest more substantially in context-specific analysis of constraints to development based on gender, social exclusion, endemic corruption, and other factors, using political economy analysis, gender analysis, social-impact assessment, and other established models.

ADVANCE EQUITY, EQUALITY, AND INCLUSION EVERYWHERE WE WORK

A country’s development only counts as progress for the people it benefits. Yet gender norms reinforce inequality in every country in which USAID works, and many communities are marginalized by deep-seated social, political, and economic exclusion and discrimination. Often, systemic inequalities—including those stemming from colonial legacies—are enshrined in or reinforced by laws. Power imbalances are also embedded in informal relationships, including between local elites and marginalized populations and between USAID and host-country

governments. These disparities exclude people from broader development progress and undermine that progress itself, preventing essential voices, ideas, talents, and efforts from contributing to a society’s development. We have learned that unless we proactively and intentionally include, we may unintentionally exclude. USAID has long prioritized the advancement of gender equality and inclusive development more broadly as development goals in their own right, and we have developed evidence, tools, training, and other resources to remove barriers and promote equitable access to our programs and the wider benefits of development. Yet we must more directly address the needs and priorities of marginalized groups—promoting their dignity and rights—and ensure their inclusion in broader development systems. We must also enhance implementation of our own nondiscrimination policy and reevaluate other processes to avoid fostering exclusion.

We will pay closer attention to who benefits from—and who may be left out in or even harmed by—our policies and programs. We will direct particular focus on those who are too often marginalized, left behind, or have little voice in their own futures. We will design programs that consider and seek to reduce discrimination and break down the legacy systems of power and oppression that remain in international development. We will heighten our commitment to equity, inclusion, and accessibility across policies and programs, including in new Agency Priority Goals and an Equity Action Plan. We will embrace the principle, “Nothing about Us without Us,” and broaden efforts to take into account race, ethnicity, sex, gender identity and expression, sexual orientation, religion, caste, disability status, age, language, social or cultural identity, economic status, displacement, and other factors that may impede access to and uptake of benefits and services related to USAID programs. We are updating operational policy on inclusive development in the Program Cycle, incorporating social-impact assessment into Program Cycles processes, and we have introduced a new budget marker to track assistance for advancing racial and ethnic equity and supporting underserved groups. We will have every Bureau at least double its work on advancing gender equality. We will also work to reduce the risk that our own programs cause harm and integrate and systematize do-no-harm guidance, including for sexual harassment, exploitation, and abuse; child abuse, exploitation, and neglect; human-trafficking and other human rights abuses; adverse environmental and social impacts; local production or market distortions; conflict risk; and corruption. We will establish a functional accountability mechanism to enhance our ability to address social or environmental harms arising from our work.

SPOTLIGHT ON
Applying Global Priorities to Context: A Rubric for Policy Implementation

This rubric poses a series of questions to help USAID staff (and partners), particularly in Missions, apply policy priorities to a country or regional context. Users can apply this both in the course of formal planning processes and to inform day-to-day decision-making. Such decisions—e.g., on what to focus strategies, how to devise solutions to specific problems, whom to partner with, how to weigh tradeoffs with limited resources—are guided by policy but always grounded in context. This is often a process of triangulation among local needs, opportunities for impact, and strategic imperatives.

→ Ascertain local needs and priorities: What are the greatest development, humanitarian, stabilization, and other crisis-response challenges in context? What are local priorities for addressing those challenges?

To answer these questions, consider:
Local priorities: Stated local priorities, including in sustainable development strategies produced by government or civil society, or as gleaned from conversations with diverse local stakeholders, especially those representing marginalized groups

Contextual needs assessment: Key findings from qualitative and quantitative contextual analysis of urgent or intractable problems or binding constraints, such as from a Gender Analysis, Inclusive Growth Diagnostic, Conflict Assessment, Digital Ecosystem Country Assessment, Political Economy Analysis, or other economic, geospatial, social-impact, or similar analysis, with an emphasis on local data sources

Comparative needs assessment: Key findings from cross-sectional analysis to understand important similarities to and differences from other contexts, such as in USAID Country Roadmaps, data dashboards, or third-party global indices and reports

→ Identify opportunities for impact and to support sustainable, inclusive progress: What partners does USAID have—or must we seek out—to solve the most critical problems? What may solutions look like, and what tools and approaches lend themselves to supporting them? In what areas does USAID have the resources, expertise, and comparative advantage to be of assistance?

To answer these questions, consider:

- Opportunities for more inclusive partnerships: For example, to engage local and other new and non-traditional partners to tackle problems in novel or more effective ways; to apply behavioral insights, experimental approaches, and qualitative contextual analysis to better address people’s needs; or to balance power dynamics, promote inclusion, empower women, and embed do-no-harm principles in and through our work

- Opportunities for bold leadership: For example, to build or expand private-sector or other catalytic partnerships; to use our convening power, engage the interagency, or otherwise practice development diplomacy to augment our programs; or to sequence, layer, integrate, or otherwise strengthen coherence among humanitarian, development, peacebuilding efforts

- USAID resources, expertise, and comparative advantage: USAID’s technical expertise, organizational capacity, and relationships to respond in a way that adds value and complements activities by local and other international actors; USAID’s ability to commit sufficient budgetary, human, and other applicable resources to take appropriate action, such as through dedicated programming, integrated approaches that use funding across sectors, engagement of or networking among other partners, influence, advocacy, convening, research, or other means

→ Map to strategic imperatives and overarching policy guidance: Where do areas of need and opportunity align with USAID and U.S. Government strategic priorities? How do these align with the larger purpose of and motivation for USAID development cooperation in context, including humanitarian, stabilization, and crisis-response imperatives?

To answer these questions, consider:

- Alignment with development priorities: USAID policy priorities, including those identified in the Policy Framework, as well as in other policies—as listed in USAID’s Policy Registry—that apply in context, such as those that identify priority or focus countries, including on:
  - Compounding humanitarian crises, recovery, and resilience
  - Corruption, authoritarianism, and democratic renewal
  - The climate crisis and reorienting to a net-zero future
  - Lost global life expectancy, COVID-19, and global health security
  - Conflict, inequality, and systems for sustainable development

- Alignment with broader foreign policy priorities: Country-specific goals in the respective Integrated Country Strategy or from Congressional or Administration directives; relevant U.S.
regional strategies and initiatives, such as the *Indo-Pacific Strategy, Strategy for Central Asia,* or *Prosper Africa*; relevant U.S. global strategies and initiatives, such as the U.S. *Strategy to Prevent Conflict and Promote Stability, U.S. Gender Equity and Equality Strategy,* PEPFAR, or *Feed the Future,* including those that identify priority or focus countries.

- **Alignment with context-specific strategic priorities:** Standing or emerging development, humanitarian, stabilization, and other crisis-response objectives, including from an existing Country or Regional Development Cooperation Strategy (CDCS/RDCS) or Strategic Framework, a mid-course stocktaking, or ongoing strategic planning process.
III. INVEST IN USAID’S ENDURING EFFECTIVENESS

When President Kennedy established USAID, he did so in the spirit of reform. The U.S. development architecture, he said, had become “bureaucratically fragmented, awkward, and slow … based on a series of legislative measures and administrative procedures conceived at different times and for different purposes, many of them now obsolete, inconsistent, and unduly rigid and thus unsuited for our present needs and purposes.”

We are again at an inflection point. USAID has evolved since our inception, but the development problem set is changing even faster. Over time, the Agency has also been buffeted by forces that have made us more sclerotic, constraining our ability to adapt or address emerging priorities. Threats to funding and staffing, pressures to cut costs, fragmented authorities, and unreconciled directives have drawn our focus away from creative problem-solving and on-the-ground collaboration. Too often, we have been pushed to focus on narrow and disconnected reporting requirements, work through a cadre of implementing partners, be too averse to risk and too siloed in our work, and seek results that are immediate and measurable but not necessarily transformative or sustainable. We also have an overstretched career workforce that has only just returned to 2016 staffing levels.

To translate this Policy Framework into practice, USAID must make critical investments in and reforms to our organization, to ensure we have the people, resources, and tools to rise to today’s challenges and remain effective and relevant in the years to come.

EXPAND, EMPOWER, AND DIVERSIFY OUR WORKFORCE

Workforce transformation. USAID currently programs around $30 billion in assistance each year, but our most valuable asset is our people and their experience, expertise, and unwavering commitment. To meet this moment we will need more staff, especially in critical areas, such as contracting officers to support localization efforts or field staff with climate-related expertise. We are overly reliant on short-term contracts and other administrative workarounds that serve neither our staff nor our mission well. Further, the professional and personal toll of the pandemic, and the demands of managing simultaneous crises, have led to overwork and, increasingly, burnout. USAID needs a larger workforce that reflects America’s diversity and possesses the skills we need to be effective in today’s development landscape.

USAID’s Global Development Partnership Initiative (GDPI), in line with the Executive Order on Protecting the Federal Workforce, aims to expand our workforce, strengthen the role of and opportunities for locally employed staff, ensure we have the right people with the right skills in the right places, and pursue equitable benefits for contract staff, while recognizing the resource and authority limitations we have today. At the same time, we are preparing for the future of work, recognizing that the pandemic has fundamentally and permanently changed how workplaces function. USAID cannot—and should not—return to the status quo ante. We will seize on innovations and lessons from this tumultuous period to improve as both a development agency and employer. With the transition to increased workplace flexibility, we will strengthen our cybersecurity stance through investment in tools and platforms to secure our networks and data globally, and we will enhance secure information technology, operations, and procedures to ensure staff can access information and participate fully in the national security decision-making process.
Diversity, equity, inclusion, and accessibility (DEIA). As we grow, we must build an organization that reflects the full diversity of our country. Our vision is to be an Agency that moves beyond mandates to meet people where they are, foster ownership, inspire leadership, deepen partnership, and spur innovation to achieve our global mission. To do that, we must invest in our people, update policies, improve practices, and diversify partnerships. We must move beyond treating DEIA strictly as an “internal” exercise, instead integrating and embedding DEIA principles throughout our organization, from workforce planning to program design.

USAID is taking a more intentional approach to DEIA in how we recruit, hire, manage, train, promote, and advance the careers of staff, including Foreign Service Nationals (FSNs). We will diversify our cohort of FSNs to reflect their own countries’ diversity, by reducing barriers to entry, such as capital-city residence or unnecessary educational requirements. We will also expand partnerships with domestic minority-serving institutions and alumni networks, including with Historically Black Colleges and Universities (HBCUs), Hispanic-Serving Institutions (HSIs), Native American-Serving Non-Tribal Institutions (NASNTIs) and Tribal Colleges and Universities (TCUs), and Asian American and Native American Pacific Islander-Serving Institutions (AANAPISIs), building a workforce that reflects America’s diversity. More broadly, we are fostering an inclusive, empowering culture that holds ourselves accountable, including through integration of DEIA criteria into annual performance plans and reviews and accountability measures for supervisors.

ALIGN OUR POLICY, STRATEGIES, RESOURCES, AND LEARNING

Policy coherence. When everything is a priority, nothing is a priority. As USAID sets new goals, we must be clear about their relative importance, how they overlay onto existing commitments, and what we are willing to deprioritize to make room for change. We must recalibrate policies and their implementation to focus on the most important topics, ensure they align with and complement one another, and that they add up to a clear, cohesive set of goals and guidelines. If a policy is a high priority, then we must make available adequate resources—for staffing, programming, operations, and broader leadership.

USAID is adopting a more deliberate, systematic, and coherent approach to policy planning, execution through the Program Cycle, and organizational learning. We will update our operational guidance on Development and Humanitarian Policy to more regularly assess the implementation of policies through an annual Policy Review and set an affirmative Policy Agenda. The new Policy Advisory Council will enable deliberative, consensus-based decision-making on policy priorities within USAID, including a rigorous process to remove unnecessary or redundant requirements. Taken together, these reforms will reduce the burden on Missions and implementing partners and ensure USAID operates with a unity of purpose.

Strategic budgeting. Policies are only actionable when we have sufficient resources to implement them. USAID has a unifying mission, but our budget is fragmented, reflecting decades of overlaid foreign assistance accounts, legislative requirements, and Congressional and Administration directives—all individually well-intentioned, but which increasingly compete with and even contradict one another. They also constrain Missions’ ability to support local partners’ development priorities, respond swiftly to emerging bright spots or challenges, or otherwise adjust approaches based on changes in context. USAID’s own structure and processes, as well, often limit our ability to align budgets with field-driven strategies or shift resources as priorities evolve.
USAID is working to align resource allocations with policy priorities, increase adaptability, and streamline internal processes to ensure Missions have the resources they need when they need them. At the same time, Missions must be more creative with the budgets they have: adopting integrated approaches to interrelated challenges, fully using existing authorities and flexibilities, and tapping into centralized accounts to pilot new and innovative approaches.

**Learning from implementation.** Complementing efforts to strengthen policy coherence, continuing to strengthen and update operational guidance on the Program Cycle will help all USAID staff and implementing partners incorporate priorities across strategic planning, project and activity design, program implementation, monitoring, evaluation, and learning efforts, including through identifying assistance modalities beyond USAID’s traditional activity-based approaches. These improvements will be grounded in our collaborating, learning, and adapting (CLA) approach, which provides a set of practices to integrate new priorities and make course corrections to changes in context or in response to learning.

USAID is strengthening our learning infrastructure to ensure that information held across the Agency informs decision-making. We are building evidence and institutionalizing processes and behaviors that will embed continuous learning, iteration, and adaptation into our work. USAID’s new *Agency Learning Agenda*, alongside the forthcoming *Knowledge Management and Organizational Learning (KMOL) Policy*, will help USAID staff and partners generate, share, and use evidence throughout the Program Cycle.

**ENHANCE OUR OPERATIONS TO LEAD AND PARTNER MORE EFFECTIVELY**

**Acquisition and Assistance (A&A).** Programming remains at the core of USAID’s work; programmatic impact depends on effective A&A. USAID must equip and empower our A&A workforce, integrate them more consistently into the Program Cycle, and improve business processes for procurement. USAID is updating our *Acquisition and Assistance Strategy* to embed principles of inclusive and locally-led development in our procurement processes, expand our partner base, and make better use of innovative mechanisms.

**Reduced administrative burdens.** Too often, our own systems and behaviors slow us down or reduce our impact: inadvertent biases, institutional inertia, procedural bottlenecks, unnecessary administrative requirements. USAID is identifying bureaucratic processes that are low-value, overly time-consuming, outdated, or unproductive. We will then streamline operations and decision-making so staff throughout USAID can focus on activities that most directly contribute to our mission.

**Enterprise Risk Management (ERM).** USAID Missions must manage heightened uncertainty, and USAID staff work in a wide range of high-threat environments. New ways of working, including increased localization, also entail new risks. We use a data-informed ERM approach to identify, assess, and understand interrelated internal and external risks and undertake effective, context-specific actions to manage them. Yet USAID must continue to refine how we define and manage risk. USAID is updating our *Risk Appetite Statement*, which establishes broad thresholds for various types and levels of risk. It helps us weigh opportunities for development impact (and the costs of failing to achieve it) against other risks. USAID’s new *Anti-Fraud Plan* also establishes an approach to reduce the risk of fraud while ensuring we can work effectively with all partners, including sub-awardees. At the same time, USAID is applying lessons from the COVID-19 pandemic to make improvements to our long-term operational readiness.