NPI ACTION PLAN SUMMARY REPORT

CONTENTS

ABBREVIATION LIST

A&A   Acquisition and Assistance
ACHIEVE   Adolescents and Children, HIV Incidence Reduction, Empowerment, and Virus Elimination
ACOR   American Center of Oriental Research
ADS   Automated Directives System
APS   Annual Program Statement
CBLD-9   Capacity Building and Local Development indicator
CDCS   Country Development Cooperation Strategy
CHR   cultural heritage resources
CIRD   Fundación Centro de Información y Recursos para el Desarrollo
COPED   Council for Education and Development
CSO   civil society organization
E&E   Europe and Eurasia
EFS   Education for Success
FADCANIC   Foundation for the Autonomy and Development of the Atlantic Coast of Nicaragua
FPDS   Federal Procurement Data System
FY   fiscal year
GDA   Global Development Alliance
GLAAS   Global Acquisition and Assistance System
HCMA   Vietnam Leads–Ho Chi Minh National Academy of Politics
IPM   Institut Pasteur de Madagascar
LAC   Latin America and the Caribbean
LEP   locally established partner
MCRA   Morocco Community Resilience Activity
ME   Middle East
MoPH   Ministry of Public Health
NPI   New Partnerships Initiative
NUP   new and underutilized partner
NUPAS   non-U.S. organization pre-award survey
OCA   organizational capacity assessment
OFM   Office of Financial Management
OU   Operating Unit
PEPFAR   President's Emergency Plan for AIDS Relief
RDCS   Regional Development Cooperation Strategy
RFI   request for information
SCHEP   Sustainable Cultural Heritage Through Engagement of Local Communities Project
TEC   total estimated cost
USAID   U.S. Agency for International Development
USG   U.S. Government

SUMMARY

This New Partnerships Initiative (NPI) Action Plan Report summarizes Mission and Operating Unit (OU) progress toward NPI goals to date, aggregates and analyzes data and feedback in NPI Action Plans from 77 Missions and OUs and documents their intent to use NPI partnership approaches and standard practices in future activities.

As USAID seeks to grow and diversify its partner base through the New Partnerships Initiative and other efforts, the Partnerships Incubator's analysis of the NPI Action Plans reveals that more than two-thirds of Missions see NPI as a continuation or expansion of ongoing efforts to engage with new and underutilized partners, especially local partners. This understanding provides a strong foundation on which the Agency can continue to expand local partnerships, work with traditional partners to strengthen local capacity, and move toward greater local ownership and sustainability of development solutions.

NPI Partnerships Approaches include (1) direct awards to new and underutilized partners (NUPs), including local entities, locally established partners (LEPs), and non-local organizations; (2) mentoring awards to traditional partners who then sub-award most of their funding to NUPs; and (3) leverage awards. Missions most favor direct awards to local entities, and mentoring awards are the approach with the largest average total estimated cost (TEC). Overall, almost 90 percent of the Missions indicate a strong or moderate intention to use at least one of the two NPI standard practices—co-creation and enhanced capacity development—for future activities, even though they are not required for NPI awards.

Collectively, Missions and Operating Units around the world identified 1,069 NPI activities that would be implemented at some point during three fiscal years (FYs 2019–2021) with a cumulative TEC of $13 billion. The Agency will implement more than 40 percent of these activities in the Africa region, with the next-largest activity numbers in the Asia region and in the Latin America and Caribbean region. While the Middle East region and the Europe and Eurasia region will implement fewer NPI activities than other regions during this three-year period, they will issue a larger proportion of direct awards to local partners. The number of overall NPI activities in a region correlates directly to the number of Missions and OUs in each region. The more Missions and OUs, the larger the number of NPI activities implemented in that region.

According to the Action Plans, Missions consider the limited capacity of NUPs as the most significant barrier and risk to NPI implementation. NUPs may have limited knowledge of USAID systems, procedures, and requirements, or lack experience in achieving evidence-based development results. While the partners are usually already working, they may have operational gaps, such as inadequate financial management, or may lack human resources policies and procedures or procurement processes.

Although Missions and OUs generally place less emphasis on local capacity development as a prioritized practice for their NPI activities than co-creation, 68 Missions initiated reporting of partner data on the Capacity Building and Local Development Indicator (CBLD-9) for FY 2021. Based on Mission FY 2020 reporting for this indicator, about 5,000 organizations working with Missions showed measured improvement in capacity.

Two-thirds of Missions and OUs either explicitly state that no additional support is required for NPI implementation or do not mention any specific needs. The remaining one-third note constraints in three main categories. Some lack time or personnel to meet the increased management demands of working with NUPs or face budget limitations or cuts at the Mission. Some need more flexible procurement options. Few Missions suggested solutions to these challenges, although several did reference the Partnerships Incubator or other third-party contractors as options for addressing limited personnel capacity.

BACKGROUND

The New Partnerships Initiative is USAID's flagship initiative as part of the Agency's Acquisition and Assistance (A&A) Strategy. NPI Action Plans are strategic, operational documents that USAID Missions and overseas Operating Units use to describe how they plan to expand their use of NPI's three partnership approaches.[1] The Agency believes these approaches are critical to diversifying the Agency's base of implementers, expanding engagement with local partners, and working with traditional partners in new ways to build local capacity and move toward greater local ownership and sustainability. Within their Action Plans, Missions were tasked with deciding which of the partnership approaches they would use and to what extent, based on current strategic goals, country context, and lessons learned from prior engagements.

In the Action Plans, Missions and OUs were required to include activities that use any of the following:[2]

1. Direct awards to new and underutilized partners (NUPs), including

    a. Local entities, including government institutions

    b. Locally established partners

    c. Non-local organizations

2. Mentoring awards to organizations that sub-award more than 50 percent of the total award value

3. Leverage awards to organizations that co-fund with cash.

Missions and OUs also were required to describe their use of co-creation and enhanced local capacity development. These are NPI standard practices; their use is not required but strongly encouraged in all activities.

---

[1] See Annex A for NPI Action Plan timeline.

[2] See Annex B for definitions of these partnership approaches.

This report summarizes all 77 NPI Action Plans with a focus on trends and observations from the field perspective. The information in the report provides a snapshot of Mission and OU perceptions and perspectives as they relate to Action Plan implementation. The plans do not necessarily capture work Missions and OUs conducted under NPI; they capture what they intend to do in the future using NPI partnership approaches and standard practices.

Developing the NPI Action Plans has been a year-long endeavor in the midst of the global COVID-19 pandemic, a time when strong local partners are more important than ever. In addition to providing important information about activities in the regions before, during, and after this challenging time, the Action Plans also represent a unique opportunity for USAID to gather insights and data from all Missions and OUs on a single initiative. The Agency does not generally collect this kind of comprehensive information, often relying instead on representative subsets of Missions.

The New Partnerships Initiative is not introducing entirely new concepts. Partnership engagement approaches such as direct awards to local organizations, and practices such as co-creation, have been Agency priorities for at least 15 years. Also based on years of experience, the new enhanced local capacity-building indicator builds on previous efforts undertaken by Missions and OUs to raise the bar for partner capacity-building. Other means of partner engagement have not been utilized to their fullest potential and are ripe for further exploration. More proactive work through sub-awards, for example, could be used as a strategic approach to sustainability, but it is an approach about which the Agency knows relatively less because of inconsistencies in previous reporting.

Action Plans will serve as Mission and Operating Unit guides that can be updated regularly if desired. This report, and the work behind it, is a first opportunity to look across the Agency at the work being done and to leverage this valuable information to better inform USAID operations.

METHODOLOGY

USAID tasked the Partnerships Incubator, a project of The Kaizen Company, with compiling a qualitative and quantitative summary of Action Plans that highlights the NPI approaches and standard practices Missions and OUs are using in FYs 2019–2021.

An Action Plan consists of six narrative sections and a spreadsheet workbook of NPI activities and targets. To facilitate analysis of the narrative sections and remove any possible subjectivity and reviewer bias, the Partnerships Incubator established an extensive and well-defined coding system for applying criteria to the review process. The prescriptive coding paradigm anticipated potential response categories; however, reviewers were instructed to add additional notes and comments as necessary to explain nuances. These notes were used to establish additional codes post-review and further aggregate the data. A null response was included in each

section in case a Mission or OU did not address a particular issue. In combination, these coded categories provided a quantifiable assessment of the narrative sections.

The team tabulated information from all 77 submitted Action Plan workbooks, including data related to activities already underway in FY 2019 and activities anticipated in FYs 2020–2021. The tabulated information included total estimated costs and qualifying approach(es) and practice(s) for each activity, as well as actual data and target goals for four NPI indicators[3] from the Mission and OU workbooks. All data was combined into a master database. From the combined data, the team was able to make observations and draw overall conclusions about current and future NPI efforts at the Mission and OU level.

Finally, the Partnerships Incubator drew extensively from narrative examples of past and current NPI efforts documented by Missions and OUs in their Action Plans. Throughout the report, these stories highlight innovative, creative, and effective uses of NPI approaches and practices.

DATA QUALITY

The Agency used relatively new processes to capture Mission and OU data for the four mandatory indicators within the NPI Action Plans. The new systems draw data from the Phoenix Financial System, the Global Acquisition and Assistance System (GLAAS), and the Federal Procurement Data System (FPDS). Collectively, these systems have several weaknesses that affected data capture for this report:

- Sub-award information comes from the USASpending.gov database via FPDS, where prime awardees are legally obligated to submit information on sub-awards; however, USAID has not systematically reviewed the data until recently, and the data likely contain errors and omissions.

- NUP status is based on a combination of prime award and sub-award data; however, these data come from two different sources (Phoenix and FPDS), which are not designed to work together. As a result, the NUP status of a partner may not always be accurate. (In addition, as discussed above, sub-award data quality is low, which compounds the problem.) The cross-walking process between the two data systems can also result in assigning a partner to the wrong Mission or Operating Unit.

- Co-creation data in GLAAS only includes actions before and during the procurement process, not during post-procurement implementation.

The New Partnerships Initiative and Action Plans represent a first step in improving the Agency's collection and review of data, and data quality should improve in the future.

---

[3] Percentage of obligations to new and underutilized partners: direct awards
Percentage of obligations to new and underutilized partners: sub-awards
Percentage of new awards using co-creation
Percentage of new awards using pre-solicitation co-creation

NPI ACTION PLAN FINDINGS

SECTIONS 1 AND 2: OBJECTIVES, OVERVIEW, AND CONTEXT

The first sections of the Action Plan provided each Mission and OU with an opportunity to share a brief overview of its intentions under NPI, including:

- Outputs and outcomes it sought to achieve
- Connections to its Regional or Country Development Cooperation Strategies (RDCS or CDCS)
- Country-specific context that may affect implementation
- Additional information-gathering necessary to achieve full implementation
- Lessons learned from any previous use of what are now NPI approaches and practices.

In the Action Plans, in addition to aligning NPI activities with their RDCS or CDCS, Missions identified other objectives they sought to achieve through NPI. More than half of all the Missions identified the following as top objectives in their plans: (1) increase the number of local awards; (2) increase leverage awards and connections to the private sector; (3) enhance local ownership of development solutions and empower local actors; and (4) foster greater self-reliance within local communities.

Collectively, these priorities speak to ongoing Agency-level efforts, as well as efforts in the recent past. The desire to increase the number of local awards reflects previous efforts, such as USAID Forward and Local Solutions, and current efforts, such as the President's Emergency Plan for AIDS Relief (PEPFAR) and Local Works. The intention to establish leverage awards echoes the Agency's ongoing work to embed private-sector engagement within the Missions. Against the backdrop of these other efforts, NPI can be seen as the next step in the evolution of some of the Agency's top priorities.

With priorities established, Missions also identified which NPI approaches and standard practices they used before 2019 to engage with new or underutilized partners. Almost 70 percent of the Missions used direct awards to local entities, and nearly one-third of the Missions targeted direct awards to locally established partners (LEPs).

NPI APPROACHES AND STANDARD PRACTICES
Engagement with new or underutilized partners (NUPs) before FY 2019
By percentage of 77 USAID Missions and Operating Units

Approach	Percentage	Count
Direct awards to local entities		n=52
Co-creation		n=40
Enhanced local capacity development		n=29
Direct awards to locally established partners		n=23
Leverage awards		n=20
Mentoring awards		n=17
Direct awards to non-local organizations		n=15
No approaches or practices used previously		n=8
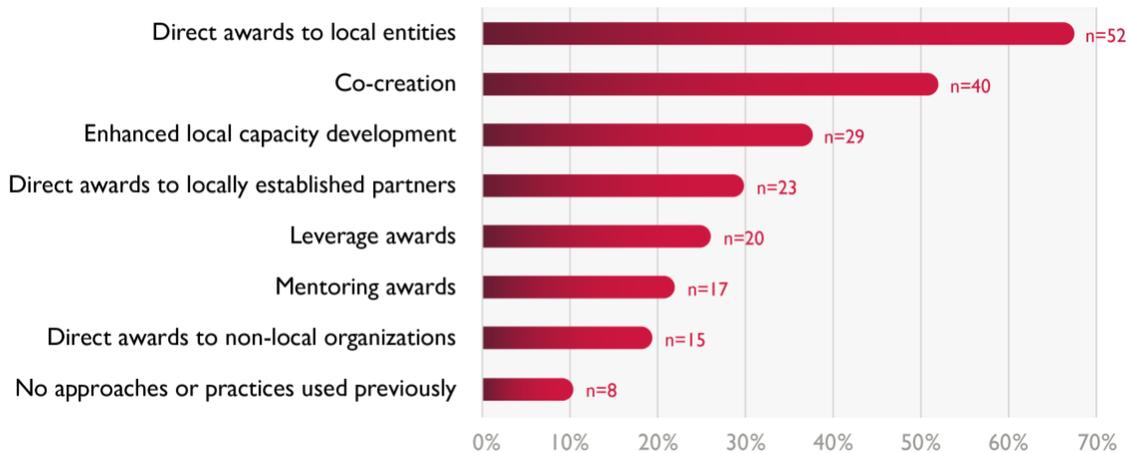
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

Generally, the vast majority of Missions had been using one or more of the NPI approaches and standard practices in partner engagements since before 2019—in some cases for several years. For 10 Missions, NPI represents a significant shift in operations. For more than two-thirds of them, however, NPI is not a shift in terms of how they engage with partners but rather an expansion or continuation of ongoing efforts. The Missions' use of NPI approaches to date provides a solid foundation upon which the Agency can build ongoing efforts, including increasing direct awards to local organizations.

NPI IMPLEMENTATION: EFFECTS OF SHIFT TO NPI PRACTICES
By percentage of 66 USAID Missions and Operating Units

Practice	Value
Expanding existing practices	n=45
Continuing existing practices	n=10
Significantly shifting practices	n=10
Regressive practices	n=1

0% 10% 20% 30% 40% 50% 60% 70%
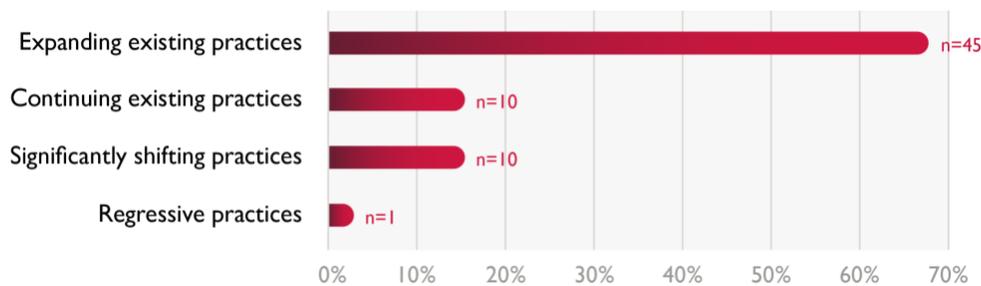
It was difficult to determine a response from the plans submitted by 11 of the Missions and OUs. Across all Missions, there was no discernable pattern in the use of NPI practices at Missions. Regional Missions, bilateral Missions, and geographic regions were represented in equal proportions in all four categories. Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

EXPANDING NPI: SPOTLIGHT ON USAID/BELARUS

Prior to NPI, while implementing activities under its CDCS, USAID/Belarus already was incorporating direct implementation approaches and local capacity-building into its portfolio, leading to a sizable number of activities successfully implemented by local partners. NPI approaches allow the Mission to build on lessons learned and established partnerships with local civil society organizations and the private sector. In FYs 2020–2021, USAID/Belarus plans to expand its NPI efforts with co-creation and a major new mentoring award requiring a sub-award of at least 50 percent of the total award value to new and underutilized partners.

SHIFTING NPI: SPOTLIGHT ON USAID/EASTERN AND SOUTHERN CARIBBEAN

The Eastern and Southern Caribbean Regional Mission integrated local engagement as a guiding principle in its RDCS, and NPI is key to achieving its goals. In 2020 alone, the Mission planned three co-creation sessions with local implementing partners and stakeholders and applied for the fifth round of the Local Works initiative.

The regional Mission recognizes the need to invest additional time and resources in managing new partners and to incorporate capacity-building into the work. To accommodate these needs, the Mission is shifting its use of NPI approaches to engage new partners, including soliciting buy-ins to Washington-based NPI mechanisms; increasing use of requests for information (RFIs); conducting small business market research; and holding collaborative meetings with local partners.

With any new initiative as varied and dynamic as NPI, implementation across an organization can be challenging. In one instance, a Mission indicated the use of NPI approaches would make partner engagement *more* challenging. Over the previous six years, the Mission had chosen to create larger, more complex projects that can be difficult for smaller, local entities to manage. Because the Mission had taken this approach prior to NPI, it was difficult to meet certain NPI criteria in existing activities, such as direct awards to local entities or mentoring awards that sub-award more than 50 percent of total award value to NUP local entities or LEPs. Still, the Mission expressed their support for NPI and intends to pursue other aspects of the initiative, such as greater use of co-creation and enhanced local capacity development.

Action Plans also asked Missions to describe the types of new tasks or outreach they intend to undertake to inform and support their future NPI work. The Missions that indicated an intention to undertake additional efforts to inform their NPI implementation provided a wide range of responses to this question. These responses described the type of outreach most appropriate for their potential partner base and represent the unique context within which each Mission operates.

NPI IMPLEMENTATION: EFFORTS INFORMING MISSION ACTION PLANS
By percentage of 77 USAID Missions and Operating Units
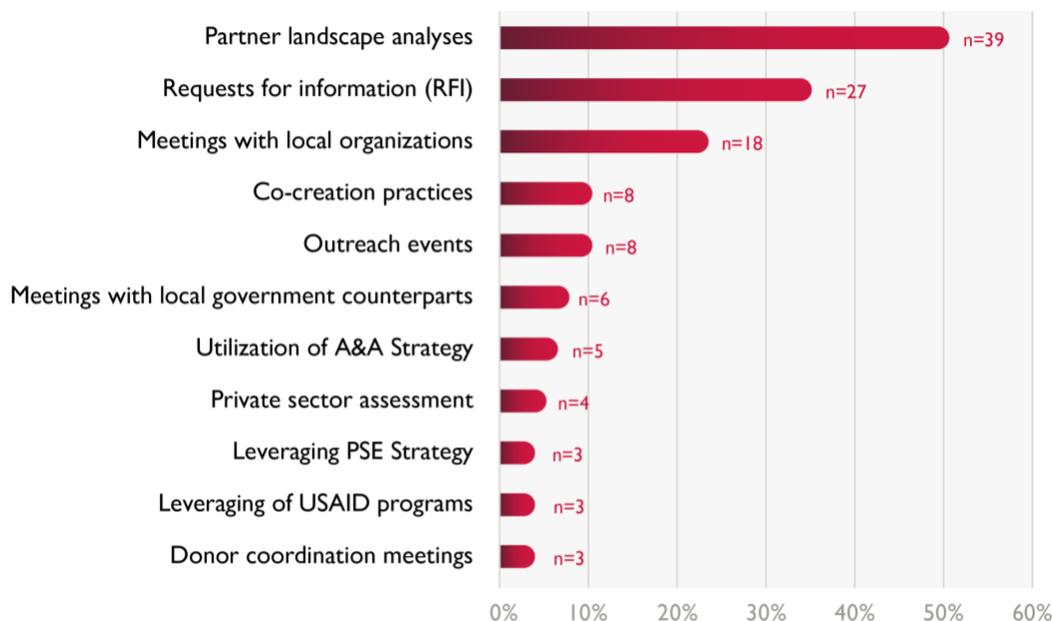
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

Of course, there is a range of barriers and constraints that Missions face when implementing NPI. By far, the biggest constraint was the limited capacity of new and underutilized partners. More than half of all Missions identified this as a significant barrier.

NPI IMPLEMENTATION: BARRIERS AND CONSTRAINTS ENCOUNTERED
By percentage of 77 USAID Missions and Operating Units

Barrier	Count
Limited capacity of NUPs	n=39
Challenges with host government*	n=17
Lack of Mission and OU personnel resources	n=14
Lack of time for increased management demands	n=12
Lack of Mission and OU budget resources	n=11
Corruption and fraud	n=10
Other	n=8
Challenging business and economic environment	n=7
Terrorism and security concerns	n=7
Few or no viable NUPs in the country context	n=6
Burdensome USAID rules and processes	n=6
NUPs' financial unsustainability	n=4
Impact of climate change on economy	n=2

*Includes general challenges, restrictions on civil society organizations (CSOs), other restrictive national policies, and/or political instability
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

Mission activities referenced in the Action Plans demonstrated the kinds of capacities NUPs often lack. The challenges they face include limited knowledge of USAID systems, procedures, and requirements; inadequate financial management and internal control systems; nonexistent policies and procedures for human resources management; insufficient procurement processes; and inexperience in achieving evidence-based development results.

Several of the most significant constraints are outside of the Missions' control. These included lack of internal resources and personnel, as well as difficulties within the local operating environment, such as challenges with host governments, corruption, fraud, and insecurity. It is important to recognize the effect local context has on the Missions' ability to implement their plans.

OVERCOMING LOCAL PROCUREMENT AND PROGRAMMATIC BARRIERS: SPOTLIGHT ON USAID/LIBERIA

Through experience, the USAID/Liberia Mission learned the importance of consistent, direct engagement with local contractors and implementing partners and for that reason integrated mentorship programs throughout its portfolio. Support that the Mission provided to the farm-to-market feeder road program through mentorship programs built the capacity of more than 20 local construction firms. They are now able to successfully bid, secure, and manage construction contracts and deliver construction and engineering services at international standards. As a result of this capacity-building work, the Mission established an indefinite-delivery, indefinite-quantity contract with local engineering and construction firms, an achievement that would not have been possible without the capacity-building support of the earlier awards.

SECTIONS 3 AND 4: PARTNERSHIP APPROACHES AND STANDARD PRACTICES

Sections three and four constituted the core of NPI Action Plans, with detailed descriptions of the partnership approaches and standard practices Missions and Operating Units were using at the time of plan submission and will prioritize in the future—and why.

More than 85 percent of Missions indicated a strong or moderate intention to use direct awards to local entities as the preferred partnership approach. More than 50 percent of Missions identified a strong or moderate intention to use mentoring awards.

NPI IMPLEMENTATION: PRIORITIZING PARTNERSHIPS
Degree of intention to use different partnership approaches
By percentage of 77 USAID Missions and Operating Units

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)
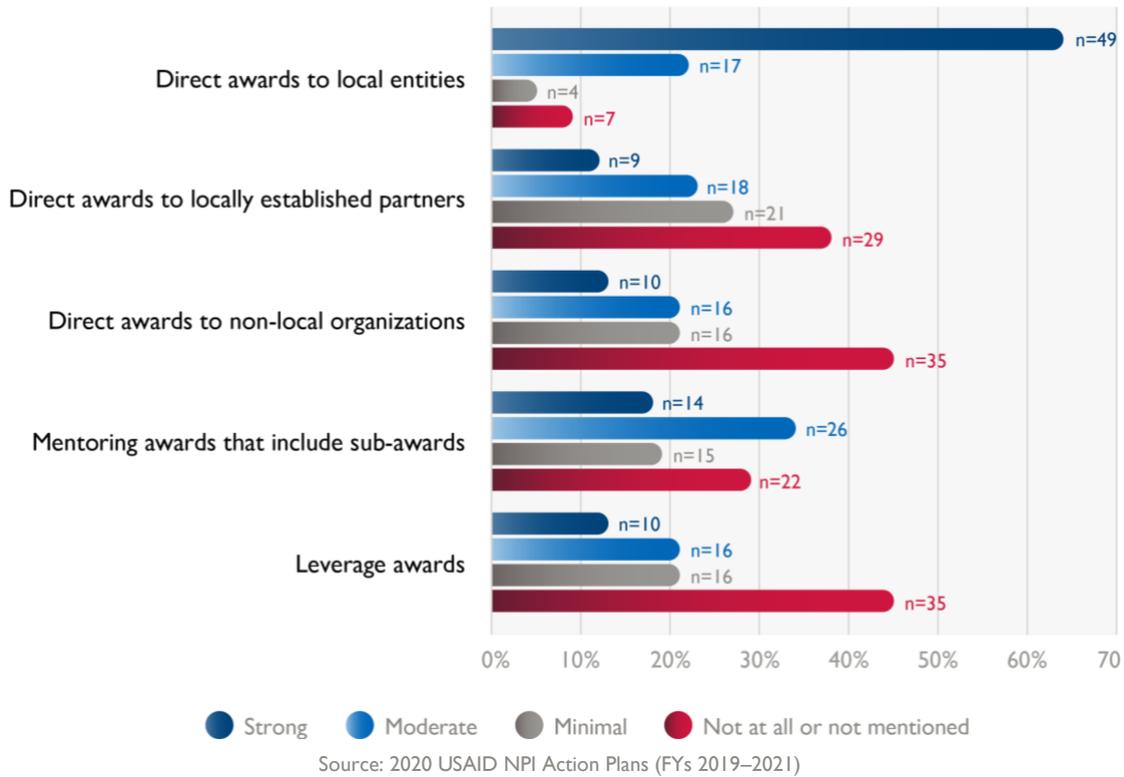
The Missions listed several advantages of direct award and mentoring approaches. These engagement methods provide an opportunity to tap into local technical expertise and build local capacity. Ultimately, they can be used to encourage greater collaboration among partners. In the Action Plans, Mission staff noted several factors likely to determine a partnership's success: the Mission's or OU's operating context, lessons learned from previous activities, and the definitions and specific requirements of the approaches.

PARTNERSHIP APPROACHES: DIRECT AWARDS

The Action Plans often describe innovative Mission efforts to better prepare NUPs to successfully manage their first direct award. USAID/Central Africa Regional found local NUP engagements were more successful when direct awards were used for discrete, narrowly scoped objectives rather than larger, wider-ranging programming goals. Using this best practice when possible, USAID/Central Africa Regional will implement more focused awards that emphasize the local partners' competitive advantages and specialized expertise in a specific sector, while harnessing their existing networks in targeted communities.

Limiting the scope of competition through these targeted approaches will allow the Mission to build relationships with local partners that possess the capabilities necessary to perform the desired work. At the same time, the increased focus on clear and measurable results through milestones will help to hold these new partners accountable while advancing shared, sustainable development outcomes. One potential downside, however, is that these types of targeted awards, although they may be smaller, still require USAID management efforts similar to that of larger awards.

DIRECT AWARD CASE STUDIES: LOCAL ENTITIES

USAID/Madagascar

The Research, Innovation, Surveillance, and Evaluation activity is now the second grant USAID/Madagascar has awarded to the local partner, Institut Pasteur de Madagascar (IPM). After seven years of working with IPM, the Mission has achieved success in three key areas: national capacity-building, an enhanced partnership with the Ministry of Public Health (MoPH), and further development of IPM's institutional management capacity. With respect to national capacity, 97 percent of IPM staff are Malagasy public health experts who, along with their MoPH colleagues, benefited from the grant to build their research capacity in several technical areas, including research design, implementation, and management. In the future, the Mission will strive to partner with local institutions where a majority of the staff is local, affording the Mission an opportunity to provide much-needed technical assistance and capacity-building.

USAID/Nigeria

Prior to NPI, USAID/Nigeria was actively engaged with local partners through its education portfolio, peace, democracy, and governance portfolio, and HIV/AIDS and tuberculosis portfolio. In 2019, the Mission provided a $1 million direct award to the University of Maiduguri for a partnership to address post-conflict activities that counter violent extremism in Borno State. This was the first time the partner received USAID funding, so the Mission focused on improving the university's capacity to deliver on agreed milestones. The partner has successfully met goals related to improving literacy for 400 internally displaced, out-of-school early-grade learners using social and emotional learning and education curricula. USAID/Nigeria will use lessons from this and other activities to guide more engagements with nontraditional partners and increase the number of direct awards to NUPs, mentorship awards, and leverage awards.

While the Agency's A&A Strategy prioritizes engagement with local partners, Mission and OU objectives sometimes require a broader focus, such as engagement with U.S. small businesses, academic institutions, or international NUPs with specialized experience or expertise. In one such example of a direct award to a non-local NUP, USAID/Georgia is working with the Emory University School of Medicine to strengthen the capacity of existing and emerging physical rehabilitation professionals by engaging American and Georgian faculty, clinicians, and physical, occupational, and speech and language therapists.

PARTNERSHIP APPROACHES: MENTORING AWARDS

As described in the A&A Strategy, USAID aims to expand its work with local partners and build their capacities through sub-awards. The Agency believes local organizations, supported by experienced prime partners, can take on a greater role in programmatic implementation if the prime partners shift to a support and capacity-building role. This partnership approach, where appropriate, would lead to the Agency working with more local organizations, while simultaneously allowing sub-award partners to draw on the experience and capacities of traditional implementing partners.

The Vietnam Leads–Ho Chi Minh National Academy of Politics (HCMA) project combines a mentoring award with a direct award to a non-local organization, Indiana University. Together, the two universities conducted various trainings to improve the capacity of provincial leaders and officials engaged in the

process of developing city- and provincial-level socioeconomic strategies for 2021–2030. The strategies will set the direction and foundation for the country's development over the next decade.

HCMA workshops provided tools, models, and practices for provincial leaders to help them develop the socioeconomic strategy for their provinces. HCMA also used co-creation during the procurement phase of the project. The success of the program encouraged the Mission to explore other opportunities for co-created mentoring awards within its portfolio, including three new activities that will improve the quality of life for people with disabilities in provinces heavily affected by Agent Orange.

MENTORING AWARD CASE STUDY: SPOTLIGHT ON USAID/MOROCCO

The Morocco Community Resilience Activity (MCRA) addresses community-relevant drivers of violent extremism, such as unemployment, socioeconomic exclusion and marginalization, and security in marginalized neighborhoods. Efforts to build resilience involve facilitating collaboration between citizens, governments, and non-governmental actors within a framework of inclusive citizen participation, as well as building the capacities of communities to address vulnerability proactively.

Through sub-grants to community-based organizations, the MCRA mentoring award supports socioeconomic reintegration services, including assistance for school reinsertion, nonformal education, and workforce preparation (e.g., vocational training, employability, life skills, entrepreneurship training, health education, and psychosocial support). The activity helps improve the ability of youth-serving institutions to provide improved socioeconomic services to at-risk youth within their communities.

PARTNERSHIP APPROACHES: LEVERAGE AWARDS

Another approach—leverage awards to organizations that co-fund with cash from non–U.S. Government (USG) resources—prioritizes local capacity-building and sub-awards but does not require a percentage of sub-awards. Leverage awards include awards under the Global Development Alliance (GDA) or similar activities if the matching funding is in the form of cash. One Mission taking advantage of NPI-eligible GDAs in its Action Plan is USAID/El Salvador. They anticipate implementing as many as three co-created GDA activities with local NUPs that will address migration issues.

More than 50 percent of Missions prioritized goals to increase the number of leverage awards and strengthen private sector connections. As shown in the earlier graph on the degree to which Missions report an intention to prioritize partnership approaches (page 9), 42 Missions said they will make minimal, moderate, or significant use of this approach, and 35 Missions made no reference to this approach in their Action Plans. The numbers are the same for direct awards to non-local organizations. This data reflects NPI's flexibility and the discretion Missions have to determine the most effective NPI partnership approaches for their local context.

MISSION CHOICES: FLEXIBILITY OF NPI IN THE CONFLICT PREVENTION SECTOR

Guinea and Sierra Leone have young, multiethnic democracies with the potential to build democratic norms by promoting political consensus and conflict mitigation. The USAID/Guinea and Sierra Leone Mission intends to use a Washington-based Annual Program Statement (APS) to attract and engage local NUPs for a direct award. The Mission believes an APS addendum will be an effective way to achieve its objectives of promoting reform coalitions and building political consensus under its NPI strategy. Furthermore, the Mission anticipates inviting selected addendum applicants to participate in co-creation and collaboration, with the goal of combining different organization types (e.g., private sector, civil society) into innovative consortia that can complement and contribute to each other's strengths.

USAID/Nicaragua is taking a different approach through its Education for Success (EFS) activity, which works with at-risk youth, mentors, and teachers in municipalities that are vulnerable to conflict. The leverage award—with the local NGO Foundation for the Autonomy and Development of the Atlantic Coast of Nicaragua (FADCANIC)—came about after the Mission worked with the organization as a prime partner. With USAID support, FADCANIC built its institutional capacity and was able to successfully implement activities, in turn using that experience to secure resources from other non-USG funders. The foundation is now a well-established local partner that receives funding from USG and other donors to carry out development projects in Nicaragua.

ACTIVITIES IDENTIFIED BY MISSIONS AND OPERATING UNITS

In Action Plans, Missions and OUs identified all NPI activities that would be implemented during any part of FYs 2019 through 2021. An activity could be considered an NPI activity only if it included at least one partnership approach, but any activity could include more than one.[4] Missions and OUs identified 1,069 such activities, with a cumulative TEC of $13 billion. Direct awards to local entities were the approach most favored by Missions when the Action Plans were drafted in terms of the number of active and planned awards (555 activities), while the approach with the largest average TEC per award for active and planned activities was mentoring awards.

NPI ACTIVITIES: PARTNERSHIP APPROACHES
Number of activities and types of approaches for FYs 2019–2021
For 77 USAID Missions and Operating Units

	Total number of activities implemented or planned	Direct awards to local entities	Direct awards to LEPs	Direct awards to non-local organizations (NUPs)	Mentoring awards that sub-award to local entities or LEPs	Leverage awards
77 Action Plans	1,069*	555	156	191	163	116
Average award TEC		$9,938,274	$8,786,618	$12,862,662	$17,870,420	$8,976,189

*The cumulative TEC for the 1,069 NPI activities implemented during any parts of FYs 2019–2021 is $12,988,435,126.

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

---

[4] This was the definition of an NPI activity at the time Action Plans were written. The criteria that define an NPI activity in the future, as well as a new concept of NPI-aligned activities, will continue to evolve based on implementation experience and learning.

ACTIVITIES BY REGION[5]

Of 1,069 NPI activities active or planned during the three fiscal years, more than 40 percent will have been implemented in Africa, followed by the Asia region and the Latin America and Caribbean region. Missions in the Europe and Eurasia region and the Middle East will make fewer NPI awards overall but will provide a higher proportion of direct awards to local partners than any other region.

TOTAL NUMBER OF ACTIVITIES IMPLEMENTED OR PLANNED 1,069

ME n=77
E&E n=130
LAC n=135
ASIA n=281
AFRICA n=446

- ● Direct awards to local entities
- ● Direct awards to LEPs
- ● Direct awards to non-local organizations
- ● Mentoring awards to organizations that sub-award to NUP local entities or LEPs
- ● Leverage awards
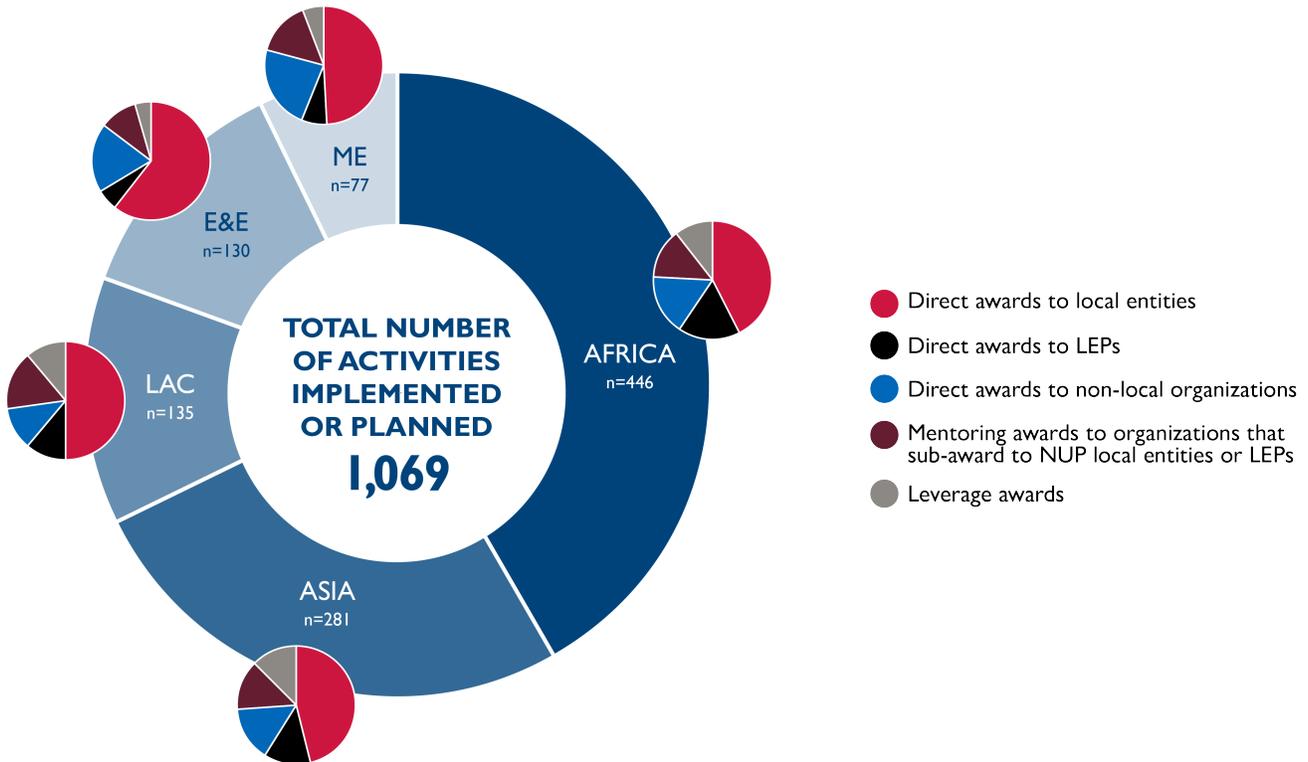
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

The number of overall activities active or planned in a region correlates directly with the number of Missions and OUs in that region. More NPI activities will be implemented in Africa because it has the most Missions, Asia the second most activities and Missions, and so on. Another way to look at regional activity is to consider the average number of activities per Mission or OU per region.

AVERAGE NUMBER OF NPI ACTIVITIES PER USAID MISSION OR OPERATING UNIT BY REGION

Asia	Africa	Europe & Eurasia	Middle East	Latin America and the Caribbean
17.6	14.9	11.8	11	10.4

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

[5] Number of USAID Missions and OUs by region: Africa = 30; Asia = 16; Latin America and the Caribbean (LAC) = 13; Europe and Eurasia (E&E) = 11; and Middle East (ME) = 7

STANDARD PRACTICES: CO-CREATION

Almost 90 percent of the Missions indicated a strong or moderate intention to use at least one of the two NPI standard practices—co-creation and enhanced capacity development—for future activities, even though they are not required for NPI awards. An activity that uses these practices but does not employ any of the three NPI partnership approaches is not considered an NPI activity and was not included in NPI Action Plans.

NPI IMPLEMENTATION: PRIORITIZING STANDARD PRACTICES
Degree of intention to use standard practices
By percentage of 77 USAID Missions and Operating Units

Co-creation
n=48
n=21
n=7
n=1

Enhanced local capacity development
n=36
n=25
n=13
n=3

0% 10% 20% 30% 40% 50% 60% 70%

● Strong ● Moderate ● Minimal ● Not at all or not mentioned

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)
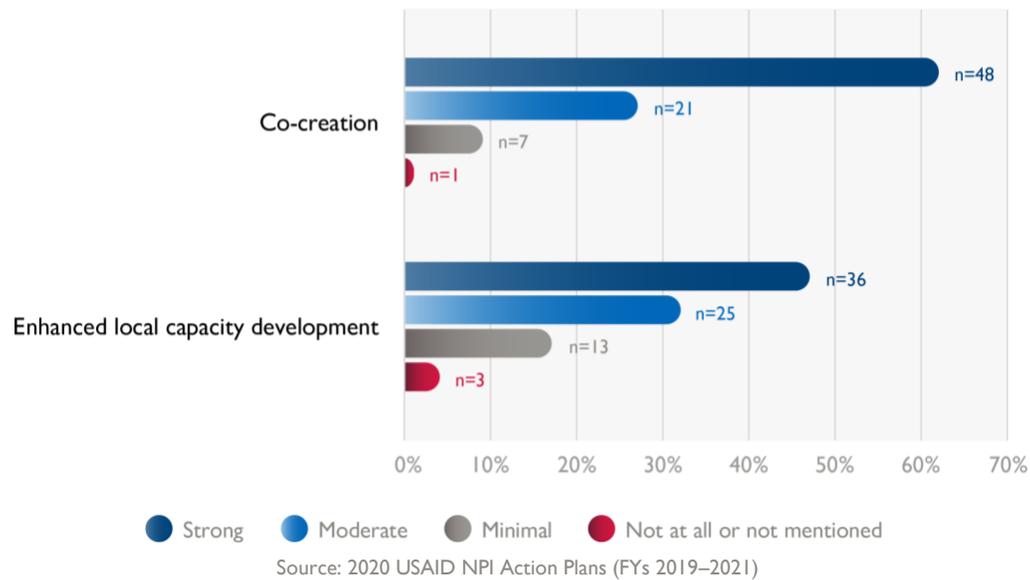
Co-creation can occur throughout the procurement and program cycle, and it can take multiple forms, such as multi-stakeholder workshops and one-on-one meetings. In their NPI Action Plans, Missions and OUs included co-creation efforts the Agency's systems do not capture, for example, co-creation by a prime when issuing sub-awards.

Missions identified a wide range of benefits and advantages of using co-creation:

CO-CREATION: BENEFITS AND ADVANTAGES
By percentage of 77 USAID Missions and Operating Units

Benefit	Value
Lessons learned from previous co-creation outcomes	n=23
Innovative solutions to development challenges	n=12
Understanding of and insight into local context	n=10
Co-ownership of development challenges	n=9
Enhanced program sustainability	n=7
Local organizations or government engaged early	n=6
Ability to influence award design	n=6
Alignment with Mission goals	n=5
Opportunity to build local capacity	n=5
Identify partner capacity development needs	n=5
Risk mitigation tool	n=3
Technical expertise of local partners	n=2

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

And Missions are utilizing co-creation through a variety of means, including:

CO-CREATION: ACTIVITIES USED BY MISSIONS
By percentage of 77 USAID Missions and Operating Units

Activity	Value
Solicitation (other)	n=32
Pre-solicititation (request for information)	n=30
Group co-creation	n=27
Pre-solicitation (other)	n=23
One-on-one co-creation	n=19
Public Q&A events open to all organizations	n=16
Oral presentations	n=14
Solicitation (Broad Agency Announcement)	n=13
Partner workshops	n=11
Concept notes	n=9
Post-solicitation	n=9
Statements of objectives	n=8
Partner meetings	n=8
Sources sought notices	n=6
Online forums and discussions	n=4
Mission orders, policies, and guidance	n=2

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

USAID/Benin issued cooperative agreements to three local NGOs to implement community health activities. Before submitting applications, the implementing partners and USAID collaborated through co-creation to identify innovative and sustainable solutions. The Mission intends to use lessons learned from the co-creation process to foster peer mentoring and information sharing among the three organizations, with similar activities based in different geographic zones.

The USAID Mission in Jordan used co-creation with a single partner for the Habibi Valbeterina Association Assistance Activity awarded in January 2020. The codesign process allowed a new partner with no USAID experience to secure the award. The Mission will use this approach for several new activities over the next two years.

CREATIVE CO-CREATION: SPOTLIGHT ON USAID/ZIMBABWE

The purpose of USAID/Zimbabwe's Local Works program is to facilitate, co-create, and test a holistic, inclusive, and locally driven activity that addresses the diverse challenges young people face in meeting their social and economic needs and aspirations. To accomplish this, the Mission is developing a youth advisory board that will lead Mission listening tours, document and share lessons learned with stakeholders, facilitate "whole system in the room" sessions, and ultimately co-create a new Mission activity. In line with the Local Works ethos, the Mission does not have a preconceived plan for what the resulting activity will look like, because it will be collaboratively designed with local youth leading the process.

STANDARD PRACTICES: ENHANCED LOCAL CAPACITY DEVELOPMENT

Enhanced local capacity development of local entities and locally established partners—sometimes referred to within the Agency as "capacity 2.0"—represents a shift in how successful local capacity-building is viewed. Previously, USAID measured local capacity based on an organization's ability to receive and manage federal funding. Now, the Agency measures successful local capacity-building by an organization's ability to achieve and sustain demonstrable results. Enhanced local capacity development also requires Missions and OUs to allocate capacity-building resources and take four specific steps, including documenting the capacity development process. This is a key shift under the Agency's A&A Strategy and NPI, requiring Agency-wide collection of standard capacity development data.

INNOVATION IN ACTION: MEETING NEW USAID REQUIREMENTS FOR ENHANCED LOCAL CAPACITY DEVELOPMENT

USAID/Burundi

Organizational capacity assessments of new local partners completed by USAID/Burundi identified significant capacity gaps in the areas of financial management, USAID procedural and policy knowledge, and operations. These organizational risks are being addressed by pairing first-time local partners with experienced partners and by providing additional support targeted to the identified organizational gaps.

For example, in 2020, USAID/Burundi funded WIYIZIRE, an orphans and vulnerable children PEPFAR health program, implemented by the local partner Council for Education and Development (COPED), for direct services to orphans and vulnerable children. COPED receives technical and organizational capacity support in Years 1 and 2 from Pact through the existing, centrally funded capacity-development mechanism called Adolescents and Children, HIV Incidence Reduction, Empowerment, and Virus Elimination (ACHIEVE). The activity's objective is to reduce and mitigate HIV risk among these children, to support case-finding of HIV-positive children, and to strengthen connections with clinical HIV services, with a focus on the prevention of sexual violence and new HIV infections.

USAID/Paraguay

Over the last two decades, USAID/Paraguay has achieved notable success building the capacity of local civil society organizations. To illustrate, Fundación Centro de Información y Recursos para el Desarrollo (CIRD) managed an activity called Citizen Initiatives, strengthening at least two dozen CSOs. Several of these CSOs have since gone on to become prime USAID awardees and implementing partners for other large donors, including multilateral banks. Centro de Estudio Ambientales y Sociales, a local organization that began as a sub-awardee of Fundación CIRD and later became a prime awardee, managed a cooperative agreement of more than $25 million and currently plays a major role in strengthening management and governance systems across a dozen of the most important Paraguayan government institutions.

Overall, Missions placed less emphasis on local capacity development as a prioritized practice, possibly due to the fact that this is now a required standard F-indicator. However, 68 Missions have initiated reporting of the CBLD-9 for FY 2021. The cross-bureau CBLD-9 Working Group is currently reviewing the initial data submissions. To date, the Agency has seen higher-quality narratives and evidence of increased Mission understanding of the indicator. Missions are reporting that 65 percent of the organizations they worked with in FY 2020—about 5,000 organizations—showed measured improvement.

In total, the global numbers for standard practices used with current or anticipated NPI awards are as follows:

NPI ACTIVITIES: STANDARD PRACTICES
Number of activities and standard practices implemented or planned
For 77 USAID Missions and Operating Units

	Total number of activities implemented or planned	Co-creation	Enhanced local capacity development
77 Action Plans	1,069*	435	400
Average award TEC		$11,576,792	$12,963,144

*The cumulative TEC for the 1,069 NPI activities implemented during any part of FYs 2019–2021 is $12,988,435,126.

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

As previously indicated, awards can include one or both standard practices, but they also can include neither practice and be NPI-eligible. Although Missions expressed their intention to use these practices, significant number of activities are still using neither of them. When use of standard practices is broken down by region, it becomes more obvious where they are or are not being utilized. The Middle East, with the smallest number of awards, leads the Agency in use of these practices in proportion to their overall portfolio.

- Co-creation
- Enhanced local capacity development
- Neither

TOTAL NUMBER OF ACTIVITIES IMPLEMENTED OR PLANNED
1,069

ME n=77
E&E n=130
AFRICA n=446
LAC n=135
ASIA n=281
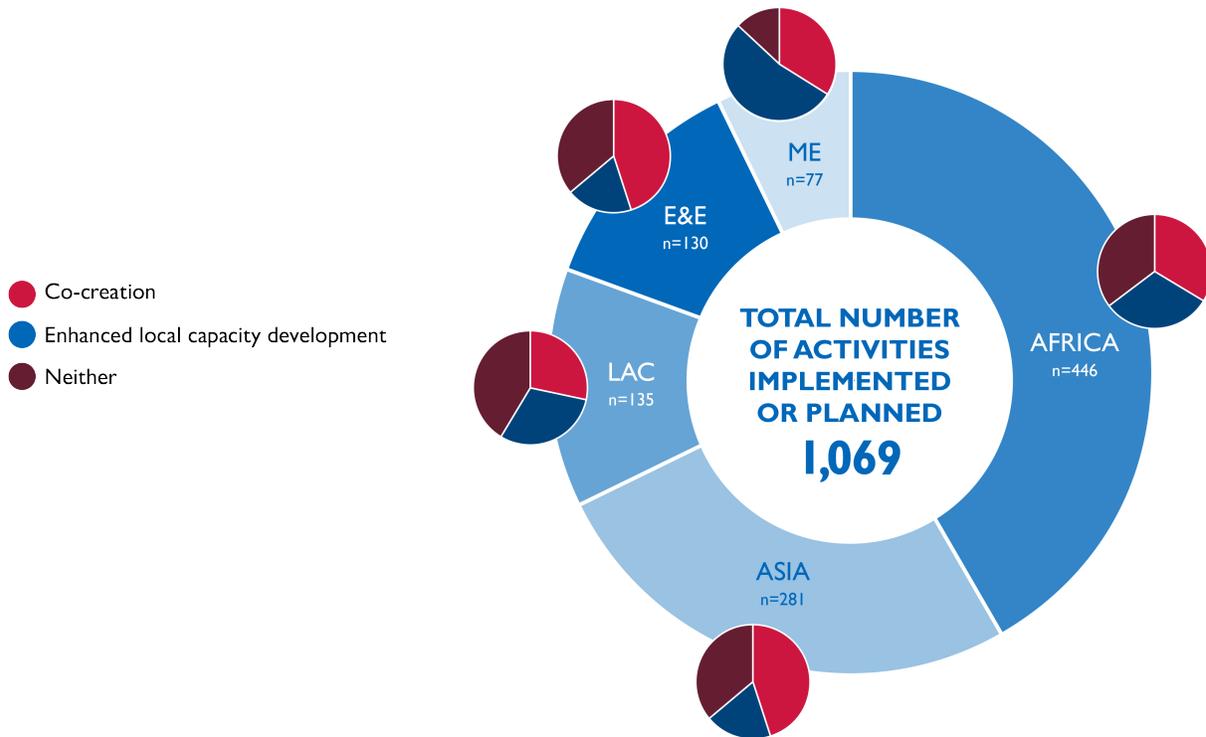
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

NPI INDICATORS AND TARGETS[6]

The table below is a summary of the four required indicators and their accompanying targets from all 77 NPI Action Plans. Collectively, the data shows that Missions intend to increase direct awards and sub-awards to new and underutilized partners throughout FYs 2019–2021. Annual percentage increases occurred with co-creation use during activity planning. In FY 2021, Missions anticipate leveraging co-creation in 50 percent of all new awards. Annex C contains tables for each of the indicators and targets broken down by the five USAID geographic regions.

NPI INDICATORS AND MISSION AND OPERATING UNIT TARGETS											
FY	Total obligations	Direct obligations to NUPs	Percentage of obligations to NUPs: direct awards	Sub-award obligations to NUPs	Percentage of obligations to NUPs: sub-awards	Number of new awards using co-creation	Total number of new awards	Percentage of new awards using co-creation	Number of new awards using pre-solicitation co-creation	Total number of new awards	Percentage of new awards using pre-solicitation co-creation
FY19 Actual	$6,447,774,112	$810,666,314	13%	$253,182,992	4%	138	408	34%	83	384*	22%
FY20 Target	$6,387,294,821	$1,054,862,680	17%	$309,624,965	5%	275	578	48%	174	578	30%
FY21 Target	$5,972,178,595	$1,268,310,097	21%	$334,430,273	6%	264	526	50%	207	526	39%

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

One of the factors driving the Agency's targeted increase of direct award obligations to NUPs is PEPFAR's own localization target. It is critical that local institutions, governments, and community-based and community-led organizations own and operate the full range of HIV prevention and treatment. This action is a priority for USAID, and Missions and OUs have been shifting awards to local implementing partners since 2018, with a goal of reaching 70 percent local awards by the end of FY 2020.

Some of the NPI targets (e.g., direct obligations to NUPs, co-creation) represent significant increases for Missions. Yet, as was documented earlier, Missions cite significant constraints in scaling up these programs. Most barriers and constraints are outside of the Missions' control; however, the most significant barrier—lack of NUP capacity—often can be addressed with greater use of co-creation and enhanced capacity development to strengthen these new partners.

SECTIONS 5 AND 6:
MONITORING RISKS ASSOCIATED WITH INDICATORS AND TARGETS

To close their Action Plans, Missions and Operating Units were asked how they intend to:

- Monitor progress on indicators and on NPI in general.
- Use adaptive management approaches during implementation.
- Mitigate any major risks that might prevent the achievement of intended NPI targets.

---

[6] Refer to the Data Quality section (page 4) for system weaknesses that affected data capture.

Almost all Missions identified performance management plans and portfolio reviews as primary methods used to monitor NPI progress. To manage NPI efforts, Missions intend to use a range of practices:

MONITORING NPI: MISSION MANAGEMENT PRACTICES TO ADDRESS CHALLENGES
By percentage of 77 USAID Missions and Operating Units

| Practice	Value
Utilize monitoring, evaluation, and learning plans	n=16
Conduct regular DQA and/or performance reviews	n=14
Form NPI working group	n=12
Utilize adaptive management approaches	n=12
Actively engage with direct beneficiaries	n=7
Mission-led capacity-building support in all awards	n=6
Implement learning sessions within Mission	n=5
Facilitate co-creation in award processes	n=5
Other	n=5
Conduct site visits	n=3
Require greater prime oversight of sub-awards	n=3

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

The Agency recognizes NPI implementation includes risks, as with all USAID programming. To aid in weighing risks as Missions and OUs chose NPI activities and goals for Action Plans, they consulted the Agency's Risk-Appetite Statement. The Agency has a "high" risk appetite for programs "promoting sustainability through local ownership and resource mobilization" and "innovative modalities for acquisition and assistance." However, for fiduciary and legal risk, the Agency's appetite for risk is "low," including for "implementing funding through local partners" and "non-compliance with financial reporting, payment mechanisms, financial-systems requirements, internal controls, and audit management." USAID's Effective Partnering and Procurement Reform Team considered the balance of these risk-appetite factors in the design of NPI.

When it comes to mitigation of risks to the Missions, the range of responses was much more expansive than many other metrics, which speaks to the wide range of unique operational contexts of the Missions and OUs. More than 50 percent of the Missions and OUs identified NUPs' lack of capacity as the most significant risk in implementing NPI, which is not surprising given that this also was the top Mission barrier or constraint.

NPI IMPLEMENTATION: MISSION-IDENTIFIED RISKS TO ACHIEVING TARGETS
By percentage of 77 USAID Missions and Operating Units

Risk	Percentage
Lack of NUP capacity	n=40
Increased financial, programmatic, or reputational risk	n=24
COVID-19	n=22
Corruption, instability, and insecurity	n=15
Local government restrictions	n=12
No risks identified	n=9
Lack of funding	n=8
Local economic challenges	n=7
Tension between locally led development and traditional USAID	n=4
Challenge identifying local partners	n=4
Poor NUP performance	n=3
Staffing constraints	n=3
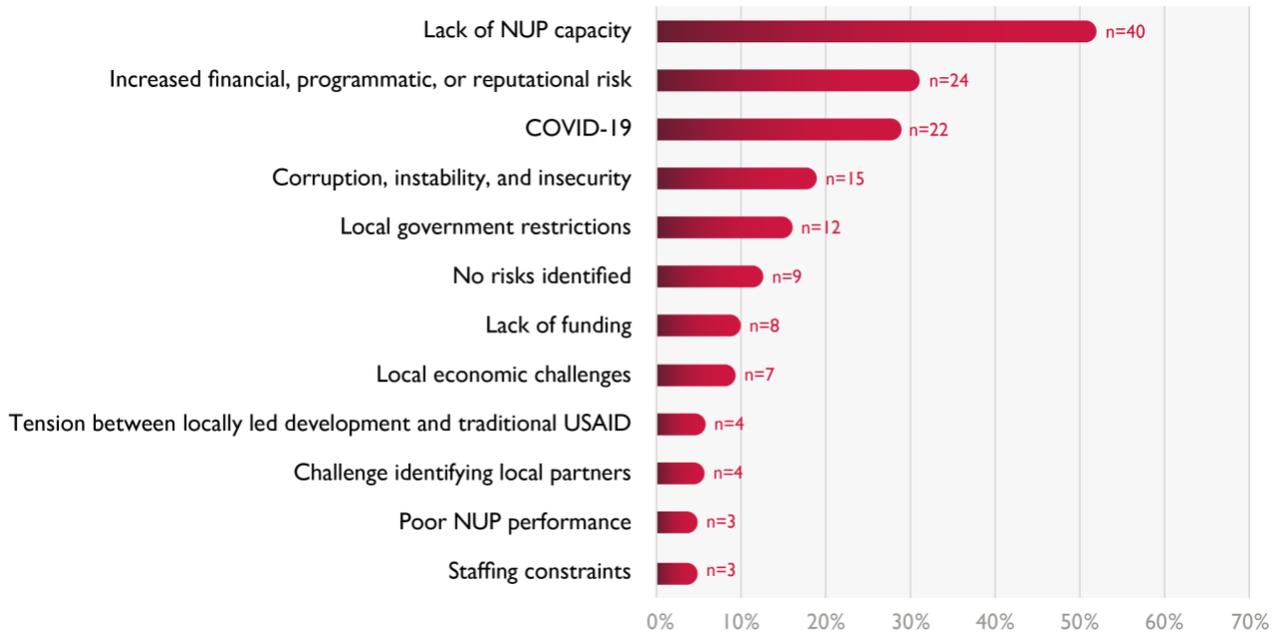
Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

Other top risks included inherent financial, programmatic, or reputational risks; the COVID-19 pandemic; and local corruption, instability, and insecurity.

The challenges are numerous, but Missions identified an equally robust list of mitigation responses, beginning with more check-ins and increased partner reporting.

NPI IMPLEMENTATION: RISK MITIGATION EFFORTS USED
By percentage of 77 USAID Missions and Operating Units

Effort	Value
Increase check-ins and reporting from NUPs	n=35
Build capacity of local partners	n=19
Build risk management into monitoring	n=10
Utilize NUPAS or OCA	n=8
No mitigation efforts identified	n=8
Build staffing capacity for increased oversight	n=8
Strengthen collaboration strategies	n=8
Increase use of audits	n=6
Leverage private sector assistance	n=6
Increase procurement support for local partners	n=5
Use more fixed amount awards	n=4
Increase vetting of partners (non-NUPAS)	n=4
Engage external, third-party consultancy	n=4
Involve local government	n=4
Increase monitoring of subawards by primes	n=4

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

Other risk-mitigation efforts involve building local partner capacity, building staff capacity for increased oversight, and leveraging third-party consultants and prime awardees to assist with greater sub-award monitoring. In many cases, these mitigation efforts could be integrated proactively into Mission practices, or even standardized at the Mission level. Then, Mission staff could use examples and lessons learned, shared through appropriate peer-to-peer platforms, to improve partner capacity to plan for and address risk in a wide range of scenarios.

FOCUS ON INNOVATION - RISK MANAGEMENT

The USAID/Uganda operating environment includes the risks of high corruption and many instances of fraud. In 2018, the Mission's Office of Financial Management (OFM) conducted financial reviews of ten implementing partners. In all ten cases, the Mission identified instances of fraud, and the Mission terminated its only active award, at the time, with a local health partner. The design, procurement, and oversight of activities implemented by local partners in this environment requires USAID to take on intensive programmatic and reputational risk.

Given this challenging context, the Agency must be vigilant and constantly oversee development activities in Uganda. OFM's robust outreach program aids in this oversight. The program includes quarterly partner finance staff meetings, structured capacity-building training, and close coordination with other bilateral donors' finance staffs. OFM designed an accountability and risk management program that is implemented by a sub-contractor through an ongoing support service award. The contract provides for technical assistance, training, and other support to implement third-party monitoring, risk management, and capacity-building. By the end of the support service award, the Mission anticipates it will see improved financial and management capacity and reduced risk among select local partners.

In Guatemala, some new local partners had weak organizational policies and procedures, inadequate financial systems and internal controls, and substandard technical report writing. To assist partners that needed focused capacity-building, the Mission incorporated special conditions in awards. Moreover, the Mission approved sub-contracting certified public accountant firms familiar with USAID's policies and procedures to help local new partners mitigate identified high risks throughout award implementation.

SHARED MISSION AND OPERATING UNIT CHALLENGES OR CONSTRAINTS

The most significant challenge facing Missions and OUs in NPI implementation is the limited capacity of NUPs. Other challenges were mostly external: government transitions, economic downturns, instability, and unemployment. Other significant challenges include few or no viable NUPs in the country and the operational and capacity gaps small, local entities face when it comes to implementing larger and more complex projects.

In their NPI Action Plans, Missions and Operating Units also had the opportunity to identify any internal constraints they anticipated or experienced when implementing NPI. Two-thirds of Missions and OUs either explicitly stated that no additional support from USAID was required or did not mention any needs. The remaining third identified constraints in three main categories: lack of time or personnel to address the increased management demands of working with NUPs; Mission budget limitations or cuts; and too

few flexible procurement options. Few Missions suggested solutions to these challenges, although several did suggest the Partnerships Incubator or other third-party contractors as options for addressing limited personnel capacity and limited number of personnel

Generally, Missions and OUs do not seem to believe NPI implementation is significantly challenging. Their feedback appears to validate the approach taken under the A&A Strategy to focus on previous successes, remove mandatory targets, and allow flexibility within the initiative based on the context within which each Mission operates.

COMMON MISSION AND OPERATING UNIT OPPORTUNITIES

A common theme in almost all of the Action Plans was the need to provide capacity-building support to partners. This theme was reflected in barriers and constraints, lessons learned, risk mitigation, and the intention to embrace the CBLD-9 indicator as an impetus for change at the Mission level. Missions shared a number of methods to deliver capacity-building support, which led to a useful list of recommended activities that would benefit partners and the Agency.

Mission-Recommended Capacity-Building Approaches and Activities:

- Adoption of the new enhanced local capacity development practice for all awards
- Formal training events on topics such as grants compliance and understanding USAID award financial and management requirements
- Direct interventions, such as roundtables with NUPs, to help prime awardees and sub-awardees administer their respective awards as needs arise during implementation
- Awareness campaigns (e.g., Office of Acquisition and Assistance roadshow)
- Pay-for-performance milestone approaches
- Third-party options, such as the Partnerships Incubator.

Mission-Recommended Capacity-Building Benefits:

- Greater understanding, appreciation, and collegiality between USAID and potential partners
- Greater involvement of more local organizations able to adhere to USAID award management requirements
- Reduced corruption and fraud
- Improved financial and management capacity.

Generally, when Missions determine the most appropriate NPI approaches for their context, they must evaluate the risk and reward and impact and cost balances for each activity. USAID Headquarters can support Mission and OU activities through the Local, Faith-Based, and Transformational Partnerships (LFT) Hub in the Bureau for Development, Democracy, and Innovation (DDI). The hub offers technical experts and institutional support across the Agency for engagement with new, underutilized, and local partners. Most notably, to Missions and partners, the Partnerships Incubator can deliver customized services such as landscape analyses, pre-award assessment support, and technical assistance to expand the capacity of USAID partners.

ANNEX A: NPI ACTION PLAN TIMELINE

The New Partnerships Initiative (NPI) is USAID's flagship initiative as part of the Agency's Acquisition and Assistance (A&A) Strategy. The initiative aims to support efforts to grow and diversify USAID's base of implementers and change how it invests to support partner countries' efforts. NPI also builds on USAID's existing relationships with a range of new, underutilized, and traditional partners that possess critical local knowledge and experience.

The New Partnerships Initiative Incubator (Partnerships Incubator), a global service hub managed by The Kaizen Company, amplifies USAID's communications efforts to help strengthen and diversify the Agency's partner base, expands Agency capacity for partnerships, and helps partner organizations work with USAID. To advance NPI goals, the Partnerships Incubator works with USAID headquarters and Missions to identify and engage new and local partners; provide training and capacity-building assistance; and develop tools, resources, and models.

On December 31, 2019, then-USAID Administrator Mark Green issued an Executive Notice announcing that all overseas Missions and OUs were required to establish two-year Action Plans addressing how they intended to implement NPI approaches and practices. The rollout would occur in two phases.

Guidance materials were released to 14 pilot Missions on January 16, 2020, with a deadline of February 28 for submitting NPI Action Plans. During this first phase, Partnerships Incubator staff were deployed to three of the 14 Missions to assist with plan writing. This allowed the Incubator to learn first-hand what worked and what did not in the guidance materials. Based on these lessons learned, the Incubator worked closely with the NPI Core Team in USAID Headquarters to update Mission guidance for phase two of the rollout. Changes included revisions to the NPI partnership approaches, which were decreased from six to three; a reduction in the number of indicators from six to four; and new templates to standardize submissions.

Phase two was rolled out on April 24, with a due date of June 5, 2020. Due to the COVID-19 pandemic, the Agency provided a blanket extension to June 19. However, as the pandemic continued to affect Missions through the remainder of the year, many Missions were delayed in their efforts. The last NPI Action Plan was received in December 2020.

Phase two Action Plan guidance included narrative and workbook templates to capture information about NPI activities, along with instructions for calculating required NPI indicators and targets. USAID tasked the Partnerships Incubator to complete a review, summary, and analysis of the NPI Action Plans from all 77 Missions and OUs.

ANNEX B: NEW DEFINITIONS

NPI introduced several new definitions related to partnership approaches, as well as building on existing definitions, such as "local entity". These new and modified definitions are codified in Chapter 303 of the Automated Directives System (ADS). Note that none of these definitions on their own serves as an NPI partnering approach.

New partner: an individual or organization that has not received any funding from USAID as a prime partner over the last five years.

Underutilized partner: an organization that has received less than $25 million in direct or indirect awards from USAID over the past five years.

Local entity: an individual, a corporation, a nonprofit organization, or another body of persons that:

1. is legally organized under the laws of;

2. has as its principal place of business or operations in;

3. is majority owned by individuals who are citizens or lawful permanent residents of; and

4. is managed by a governing body, the majority of who are citizens or lawful permanent residents of a country receiving assistance from funds. For purposes of this section, "majority-owned' and "managed by" include, without limitation, beneficiary interests and the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the organization's managers or a majority of the organization's governing body by any means.

Locally established partner (LEP): a U.S. or international organization that works through locally led operations and programming models.

At a minimum, LEPs:

1. Have maintained continuous operations in-country for at least five years and materially demonstrate a long-term presence in a country through adherence or alignment to the following:

   a. Local staff should comprise at least 50 percent of office personnel;

   b. Maintenance of a dedicated local office;

   c. Registration with the appropriate local authorities;

   d. A local bank account; and

   e. A portfolio of locally implemented programs.

2. Have demonstrated links to the local community, including the following:

   a. If the organization has a governing body or Board of Directors, then it must include a majority of local citizens (Note: if the organization has a board or governing body in the host country, this criterion is required; if not, this criterion is not required.);

   b. A letter of support from a local organization to attest to its work; and

   c. Other criteria an organization proposes to demonstrate its local roots.

Leverage: significant resources mobilized from non-U.S. Government sources. USAID seeks to mobilize resources of other actors on a 1:2 or greater basis (i.e., 50 percent or more of the proposed value of the award). Leveraged resources may include grants or awards from non-U.S. Government organizations and other donor governments.

ANNEX C: INDICATORS AND TARGETS BY REGION

NPI INDICATORS AND ACCOMPANYING TARGETS
From 77 Mission and Operating Unit NPI Action Plans
By percentage of the five USAID geographic regions

PERCENTAGE OF OBLIGATIONS TO NUPS, BY REGION: DIRECT AWARDS					
FY	Africa	Asia	Latin America and the Caribbean	Europe & Eurasia	Middle East
FY19 Actual	11%	11%	22%	12%	16%
FY20 Target	17%	13%	26%	11%	14%
FY21 Target	23%	18%	33%	10%	10%

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

PERCENTAGE OF OBLIGATIONS TO NUPS, BY REGION: SUB-AWARDS					
FY	Africa	Asia	Latin America and the Caribbean	Europe & Eurasia	Middle East
FY19 Actual	4%	6%	12%	4%	2%
FY20 Target	5%	6%	11%	5%	6%
FY21 Target	5%	7%	13%	6%	6%

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

PERCENTAGE OF NEW AWARDS USING CO-CREATION, BY REGION					
FY	Africa	Asia	Latin America and the Caribbean	Europe & Eurasia	Middle East
FY19 Actual	29%	51%	47%	20%	33%
FY20 Target	49%	55%	55%	32%	36%
FY21 Target	51%	64%	51%	28%	38%

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)

PERCENTAGE OF NEW AWARDS USING PRE-SOLICITATION CO-CREATION, BY REGION					
FY	Africa	Asia	Latin America and the Caribbean	Europe & Eurasia	Middle East
FY19 Actual	19%	33%	33%	12%	5%
FY20 Target	32%	29%	25%	28%	33%
FY21 Target	38%	39%	44%	82%	53%

Source: 2020 USAID NPI Action Plans (FYs 2019–2021)