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ASU Walton Sustainability Solutions Initiatives
Australian Volunteers International (AVI)
Coffee Quality Institute (CQI)
Conservation Council of Nations (CCN)
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Institute of International Education (IIE)
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VEGA Recommendations for USAID's Effective Partnering and Procurement Reform Task Force Team Listening Tour

We appreciate the opportunity to share our recommendations for partnering and reform solutions with the U.S. Agency for International Development (USAID)'s Effective Partnering and Procurement Reform (EPPR) Task Force Team.

The Volunteers for Economic Growth Alliance (VEGA) is a consortium of 24 nonprofits that send volunteer experts to work with people around the globe seeking skills and opportunities to build a better future. We create the partnerships that make that possible. Since 2004, VEGA has improved the lives of more than 5 million people with USAID through 68 programs in 56 countries and more than 47,000 volunteer days, saving more than \$33 million taxpayer dollars and nearly doubling the program value. VEGA has leveraged the cost savings and skills of volunteers who not only generate economic growth, stability and opportunities for trade, but also convey the best of American values and ingenuity.

VEGA is pleased with this effort and offers a model for program design and procurement reform to meet several of USAID's objectives: the Volunteers for Economic Growth Alliance Leader with Associate Award (VEGA LWA). We refer you to the recently published [VEGA LWA Final Report](#) for an in-depth discussion of why this unique program and procurement vehicle serves as a successful example for how USAID can create solutions to several partnering and implementation challenges.

Herein we highlight some of these solutions relative to the questions for external partners posed by the EPPR Team on the Listening Tour. We also use the Volunteers for International Security and Prosperity Annual Program Statement (VISAP APS) as an instructive example, as well as the John Ogonowski and Doug Bereuter Farmer-to-Farmer Program (F2F).

On behalf of our 24 member NGOs, VEGA's top recommendations in support of USAID's transformation goals are that USAID 1) Create and compete a new volunteer-focused LWA mechanism, building off the proven benefits of the VEGA LWA; and 2) Replicate the beneficial features of the VEGA LWA in other procurement mechanisms.

1. What are the top three challenges that you see in USAID's current program design and procurement approaches to reaching this vision, and steps to address those challenges?

#1 Lack of Mechanisms that are Flexible, Fast and Efficient: There is a strong disincentive for field staff to utilize mechanisms or attempt partnerships that require additional staff time, as staff are already stretched thin and facing competing pressures. For example, there are pressures to reduce procurement lead times that are disincentives for field staff to engage in new partnerships and flexible mechanisms. The co-creation process described in the BAA and APS mechanisms are often seen as onerous and inefficient.

- LWAs are fast and efficient. The Leader can serve as a one-stop shop for accessing experienced and less-experienced development NGOs, private-sector and local partners for full-scale development programs with far shorter procurement lead times (PALT). Example: the VEGA LWA did this with PALT times that are three times faster than the USAID average (89 days vs. 300 days).
- Broad mechanisms that break down silos and span programming activities across regions are more flexible, but field staff will not use these mechanisms for full-scale development without overcoming the barriers identified below. Example: the VEGA LWA was used for a broad range of programming activities from discrete programs, such as EMDAP, to large, full-scale modern development programs, such as Feed the Future and Power Africa, including those in post-conflict countries. The VEGA LWA also operated without geographic limits, and gave Missions access to VEGA members' vast expertise and experience, which spans more than 140 countries and across the spectrum of development and economic growth areas, including agribusiness, financial services, trade, capacity building and institution strengthening, as well as health and energy.

#2 Lack of USAID Staff Support and Incentives for Innovative Mechanisms: Both program and procurement staff in the field require a great deal of support to successfully partner. As noted by other external partners on the Listening Tour, many procurement staff in the field are less experienced and often less likely to be aware of or interested in innovative or untested mechanisms. For example, VEGA has been on its own "Listening Tour," having spoken with 41 Missions about the VISP APS since it was released on August 30, 2017. Staff at nearly every Mission said that they were learning about the VISP for the first time from us and expressed significant reluctance in using this new mechanism for full-scale development programming.

- USAID should ensure that the benefits of new and flexible mechanisms are sufficiently marketed to and understood by field staff.
- USAID must incentivize Mission staff to utilize new mechanisms. LWAs and other non-competitive mechanisms have built-in incentives and benefits that are well-known. These include speed and efficiency, but LWAs also can allow for more co-creation since the partners are not inhibited or constrained by the sensitivities of competition.

- When using non-competitive mechanisms, USAID should include a competitive process as an important counter-balance. Unlike other LWAs, VEGA LWA Associate Awards were competed among VEGA consortium members through an independent panel, including Mission representation. This process ensured the best available implementing partners, without sacrificing efficiency or accountability. The unique competition developed by VEGA under the VEGA LWA allowed USAID Field Missions to confidently and quickly award large-scale programs.
- The VEGA LWA was successful in large part because of the VEGA Secretariat's provided support to USAID staff. VEGA procurement support increased over time, saving thousands of hours of USAID staff time, and proved important to the success of the VEGA LWA. The VEGA Secretariat provided Missions with information about and access to the benefits of the VEGA LWA through: 1) outreach and marketing; 2) significant independent assistance throughout procurement and implementation—assisting in program design and managing the competition, selection, and award; and, 3) additional monitoring, oversight and accountability. Procurement support for Missions served as a key incentive under the VEGA LWA and this support should be incorporated as an important factor for the success of other mechanisms.
- While the VEGA LWA provided sufficient incentives to Missions, an APS might also if it came with core dedicated funding as an incentive to Missions to rival the speed and cost-effectiveness of LWA.

#3 Barriers to Entry for Small- and Medium-Sized NGOs and Private Sector Potential Partners:

The factors noted above benefit the very large and well-known procurement partners. Small- and medium-sized potential partners usually cannot support the in-person marketing required to build the relationships needed to partner.

- LWAs with consortiums, such as the VEGA LWA, that are managed by a secretariat and include small- and medium-sized partners can help to overcome these barriers. VEGA's open membership diversified and expanded the range of expertise available to USAID on programs, providing easy access to small, non-traditional partners. Providing core funding to a Leader with a directive to diversify with non-traditional partners would ensure that this barrier is overcome.
- Small grant projects with core support for building the capacity of new and inexperienced partners, such as under Farmer-to-Farmer's Special Program Support Project, can significantly lower the barriers to entry.

2. What are promising models of program design and procurement that emphasize a field-driven focus?

- If USAID defines field-driven as both USAID Field Mission-driven and driven by partners in the field, then co-creation will be key. However, current vehicles such as the BAA and APS emphasize co-creation over other goals, as noted above.
- LWAs emphasize a field-driven focus by design, but also can dramatically increase the ability to co-create. All VEGA LWA programs were demand driven and ultimately determined by and funded through USAID Bureau and Field Missions, increasing partner country engagement and the ability to solve specific, locally identified problems together.

3. What are promising models of program design and procurement that are more results-driven?

- A challenge to results-driven programs is that USAID does not adequately invest in Knowledge Management to support its efforts to expand participation and co-creation. For example, the VISP APS does not come with any core funding for supporting a community of practice and learning. USAID could preserve and dramatically scale the community of learning with a modest investment to ensure capacity building takes place among volunteer-sending institutions, including those located in partner countries.
- USAID also does not ensure consistency and continuity in measuring results. For example, the VISP APS does not require consistent measures of development and volunteer impact. USAID should continue and build upon the measures of impact developed by VEGA.
- USAID does not invest adequately in evaluating results. USAID did not independently evaluate the impact of the 13-years of the VEGA LWA. USAID should conduct an independent evaluation of the VEGA LWA to inform current and future volunteer-sending programs, and/or conduct a side-by-side comparison of the new VEGA-like LWA with the VISP APS in practice.
- In our experience, there are several models under Feed the Future (FTF) whole-of-government, data-driven approach that are more results-driven. VEGA currently implements three FTF programs, including a PPP in Nigeria. It is noted that USAID will continue to take “whole-of-government, data-driven approaches related to USAID’s core mission,” as stated in the Agency’s budget justification. International volunteer mobilization—and other USAID objectives—could be dramatically scaled by using a whole-of-government strategy, similar to the Global Food Security Strategy, which would involve all of the nearly 30 agencies and departments engaged in development assistance. The Volunteers for Prosperity Executive Order provides the authority for such an approach.

4. What are promising models of program design and procurement that strengthen local capacity?

- Skilled volunteer-focused programs, such as the VEGA LWA, are ideal for strengthening local capacity. The VEGA LWA offered Missions the opportunity to quickly and effectively partner with experienced NGOs that are the experts at mobilizing volunteers and the best partners for local counterparts and capacity building.

- USAID should be purposeful in trying to engage skilled volunteers who can contribute technical assistance over the life of a program and support resiliency approaches, including countries that are transitioning away from being aid recipients but would still benefit from targeted technical assistance to shore up economic, development and policy gains.
- USAID also should encourage and incentivize incorporating remote, local and diaspora volunteers into programming. Technology has opened new doors for USAID to mobilize large numbers of remote volunteers, which USAID should capitalize on through a new volunteer funding mechanism. In addition more emphasis should be placed on building the capacity of local organizations to recruit, train and deploy skilled volunteers utilizing train-the-trainer approaches.
- From the beginning, VEGA focused on building local capacity by working together with host-country counterpart organizations; this is first among several guiding principles in the original VEGA LWA award. A number of VEGA LWA programs have focused on building the capacity of local organizations and SMEs. By filling technical and knowledge gaps, VEGA LWA programs from Sri Lanka to Mali gave our partners the best opportunity to succeed and grow. Other VEGA LWA programs from Ethiopia to Albania have created an enabling policy environment to mobilize capital and support increased trade. Whether mentoring national and local leaders on governance, facilitating private-sector investments through policy reforms and institution strengthening or creating jobs and entrepreneurial opportunities for women and youth—the VEGA LWA’s programs and the skilled volunteers that they mobilized helped to build the conditions necessary for sustained economic growth. See examples of successful USAID programs to strengthen local capacity through VEGA LWA programs ([pages 20-38](#)).

5. What are promising models of program design and procurement that would allow USAID become more effective in fragile states or non-permissive environments?

- Utilizing flexible, innovative, remote technical assistance through skilled volunteer-focused programs, such as the VEGA LWA and the EMDAP program, could help to securely supplement resources on the ground. Effective, innovative volunteer models can enhance sustainability and increase volunteer mobilization, especially in Critical Priority and Post-Conflict Countries.
- In all environments, American volunteers promote goodwill and cross-cultural understanding, thereby enhancing U.S. and international stability and security. Increasing the use of U.S. volunteers for strategic countries where the U.S. is seeking to deepen diplomatic ties should be an objective of broader foreign policy.

6. How do you suggest that USAID better work with the private sector and leverage private-sector resources, and what are some successful examples/models the Agency should examine?

- A significant barrier to entry for private sector potential partners is the opaqueness of how to navigate USAID structure, culture, rules and regulations, as well as procurement timing issues. Successful PPPs require an intermediary with significant experience with USAID and understanding of the private sector to support the partnership from beginning to end. A Leader of an LWA is well-positioned to play this role. An example of this is the honest broker role that VEGA has played throughout the VEGA LWA.

- A critical way that USAID has leveraged private sector investments is through pro-bono technical expertise. As an efficient and effective volunteer-centered mechanism, the VEGA LWA allowed USAID to significantly expand the engagement of individuals from the private sector who do not earn their living as consultants or contractors. Professionals with expertise from financial services to engineering to agribusiness to technology have donated their valuable time to help give a hand up, instead of a hand out. On average, volunteers had 21.9 years of experience relevant to their assignments. Through assignments ranging in length from one week to one year, but averaging two to three weeks, VEGA LWA volunteers created impacts almost immediately, and those that continue to build and last over time. These skilled experts provided management and technical assistance to SMEs, agribusinesses, financial institutions, educational institutions, NGOs, local governments, central ministries, advocacy organizations, associations and communities. According to the VEGA Volunteer Value Reporting System results, 91.5% of host organizations agree or strongly agree that the recommendations made by volunteers will be applied on an ongoing basis.

Lastly, even when USAID succeeds, it is rarely known by the American people. This threatens the ability of USAID to continue to make gains on putting itself out of a job. Ensuring that there are successful USAID-sponsored programs that provide opportunities for Americans to serve will go a long way to educate and engage the American people on the critical importance of U.S. foreign assistance.

In conclusion, we appreciate the opportunity to share these recommendations with you and stand ready to discuss in more detail. Please do not hesitate to reach out to VEGA President and CEO Michael Deal at mdeal@vegaalliance.org or VEGA Managing Director of Communications and Advocacy Angela Canterbury at acanterbury@vegaalliance.org.