

# NEW PARTNERSHIPS INITIATIVE

## Agency Guide to NPI Partnership Approaches and Standard Practices

### NPI Partnership Approaches

#### 1. Direct awards to new and underutilized partners (NUPs)<sup>1</sup>

- a. Local entities,<sup>2</sup> including government institutions.
- b. Locally established partners (LEPs).<sup>3</sup> Unlike local entities, LEPs must demonstrate viability apart from USAID funding by showing that they have received at least as much in non-U.S. Government funding as they have received from USAID in the previous five years.
- c. Non-local organizations. While the Agency's Acquisition and Assistance (A&A) Strategy and Journey to Self-Reliance (J2SR) framework prioritize engagement with local partners, Mission/OU objectives could require a broader focus. This direct award option includes U.S. small businesses, as well as any other U.S.-based or international NUPs that could play a unique role in a given sector or context, such as U.S. higher education institutions.

#### 2. Mentoring awards to organizations that sub-award more than 50 percent of total award value to NUP local entities and locally established partners.

The A&A Strategy and the NPI seek to expand USAID's work with local partners and build their capacities through sub-awards. The Agency believes that local partners can take on a greater role in programmatic implementation if prime awardees shift to support and capacity building roles. This Partnership Approach, while not appropriate for all programs or existing awards, would expand Agency work with local organizations while simultaneously drawing on the experience and capacities of traditional implementing partners. There are two mentoring award options:

- a. A "facilitative partnership" approach that puts sub-awardee NUPs in the lead for implementation, without necessarily having the intention of moving them to prime awards.
- b. A "transition partnership" approach that prepares sub-awardee NUPs to receive direct awards.

#### 3. Leverage awards to organizations that co-fund using cash from non-U.S. Government resources.

This Partnership Approach recognizes that significant overlooked cash resources could exist that organizations, including nonprofits, can bring to a local context. Contributions from the awardee must be at least 50 percent of the value of the award from USAID and must be cash funding; in-kind resources generally do not count. This approach also prioritizes local capacity building and sub-awards, but it does not have a percentage sub-award requirement. Note: This approach includes awards under the Global Development Alliance (GDA) or similar activities, if the matching funding is in cash.

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<sup>1</sup> Organizations that have received less than \$25 million in direct or indirect awards from USAID over the past five years.

<sup>2</sup> Organizations owned and managed by local citizens or residents. See ADS 303 for complete definition.

<sup>3</sup> A U.S. or international organization that works through locally led operations and programming models. See ADS 303 for complete definition.

## NPI Standard Practices

The Agency strongly encourages Missions/OUTs to use NPI Standard Practices as part of all their activities. An activity that uses these practices but does not employ at least one of the three NPI Partnership Approaches, however, is not an NPI activity.

### **1. Co-creation that leads to a greater understanding of, or engagement with, the local context and local partners (local entities and LEPTs).**

Co-creation is an Agency Priority Goal under the Joint U.S. Department of State-USAID Strategic Plan and a critical tool to open doors to potential partners who have limited experience working with USAID. It can occur throughout the procurement cycle (pre-solicitation/solicitation/implementation of activities) and take multiple forms (such as either multi-stakeholder or one-on-one). To promote engagement with new partners, the NPI encourages the use of short Concept Notes, followed by some type of co-creation process. Missions/OUTs are also encouraged to consider co-creation efforts that the Agency's co-creation indicators do not capture, for example, co-creation by a prime in issuing sub-awards (i.e., post-award implementation).

### **2. Enhanced local capacity development of local entities and locally established partners.**

A key shift under J2SR, the A&A Strategy, and the NPI is the rollout of an enhanced approach to capacity development and Agency-wide collection of standard capacity development data. Enhanced local capacity development refers to an Agency-wide shift in how we view successful local capacity building and can occur through direct awards, sub-awards, or technical support to activity beneficiaries. While we previously measured local capacity based on an organization's ability to receive and manage Federal funding, we now measure success by an organization's ability to achieve and sustain demonstrable results. Enhanced local capacity development also requires Missions/OUTs to allocate capacity building resources and take four specific steps, including documenting the capacity development process.

## About the New Partnerships Initiative

The NPI is the Agency's flagship initiative under Effective Partnering and Procurement Reform (EPPR), which is part of our Transformation. It aims to put the Agency's first-ever A&A Strategy and the J2SR framework into practice by supporting our efforts to diversify our base of implementers and change how we invest to support our partner countries' self-reliance. NPI builds on USAID's relationship with a range of new, underutilized, and traditional partners that possess critical local knowledge and experience.