

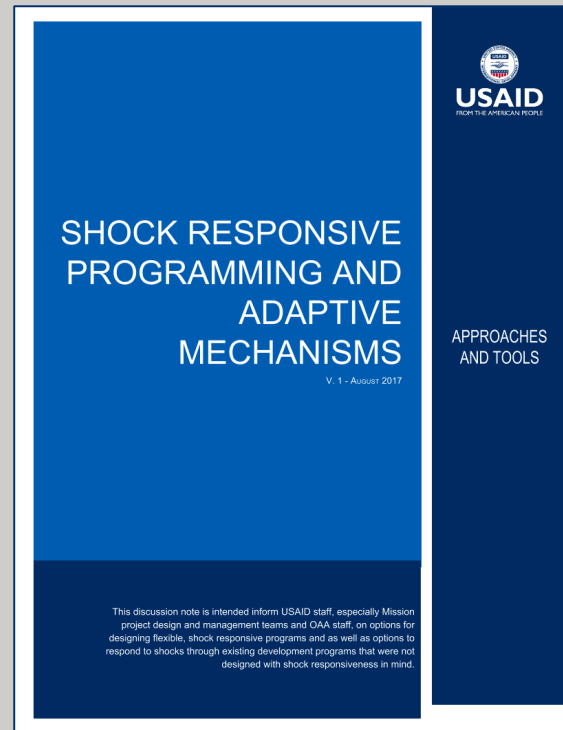
USAID's Approach to Developing and Managing Shock Responsive Programming and Adaptive Mechanisms



Andre Mershon, Center for Resilience, BFS
Adaptation Community Meeting, October 16

Agenda

- Presentation from Andre Mershon-BFS/Center for Resilience
 - Introduction to Resilience at USAID
 - Introduction to Shock Responsive Programming
 - What Shock Responsive Programming Means for USAID partners
 - Examples of USAID Shock Responsive Programming in the Sahel



Introduction to Resilience

Short intro video: <https://www.youtube.com/watch?v=TVwh0B3JXjM&feature=youtu.be>

USAID defines resilience as “**the ability** of people, households, communities, countries and systems **to mitigate, adapt to and recover from shocks and stresses** in a manner that reduces chronic vulnerability and facilitates inclusive growth.”

-USAID's Building Resilience to Recurrent Crisis (2012)

Simply put:

Resilience is the ability to manage adversity and change without compromising future well-being

Shock responsiveness and adaptive management is essential for resilience

Impetus and Rationale for Resilience at USAID

The Costs of Recurrent Humanitarian Crises

- Loss of lives, livelihoods and aspiration
- Losses to national and regional economies
- Cost of recurrent USG humanitarian spending

Cost of Recurrent Humanitarian Spending 2000-2017

Ethiopia	\$5,519,171,692
South Sudan	\$1,777,678,672
Kenya	\$1,607,410,644
Somalia	\$1,441,469,484
DRC	\$1,129,396,238
Zimbabwe	\$1,100,092,310
Haiti	\$916,867,956
Niger	\$751,246,326
Malawi	\$673,221,995

An Ounce of Prevention is Worth a Pound of Cure

It's estimated that every \$1 invested in resilience over the long-term will result in \$3 in reduced humanitarian need and avoided losses

USAID Resilience Focus Countries 2019

Ongoing

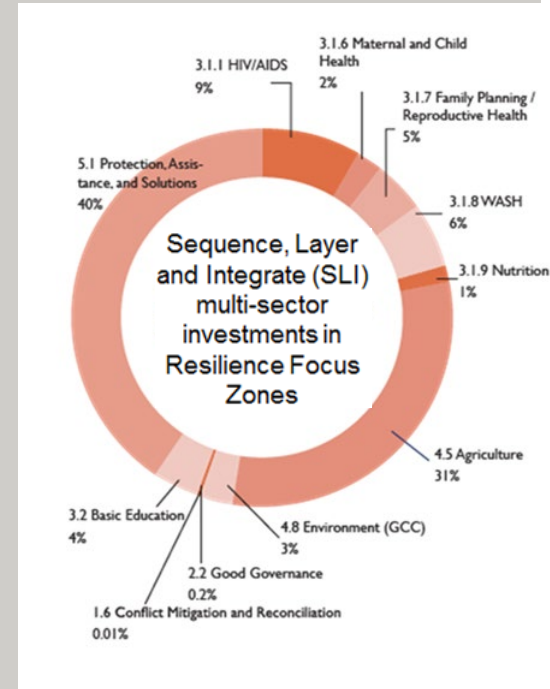
- Kenya
- Ethiopia
- Somalia
- Uganda
- Burkina Faso
- Niger
- Mali

Newly designated

- Malawi
- Democratic Republic of Congo
(D.R.C.)
- Nigeria
- Haiti
- Zimbabwe
- South Sudan

What's Different with Resilience (and What's not)

- Developmental focus on people/ places subject to recurrent crises
 - Broader relevance to J2SR (poverty escapes)
- Shocks and stresses treated as perennial features, not anomalies
 - Investments to reduce and manage complex risk, adapt to change
 - Shock responsive programs and institutions, early response
- Joint analysis, planning, and implementation across sectors
 - Systems thinking in ear-marked world
 - Sequence, layer and integrate HA/DA
- Focus on capacity, not just vulnerability
 - Assets, abilities, and agency



Adaptation vs. Resilience

- Resilience looks at a broad set of risks, including, but not exclusive to climate risks
- While climate variability and change is an important shock and/or stress to consider when trying to building resilience, **resilience also considers and addresses the complex and compound nature of risk** including other shocks and stresses such as population growth, local and global price shocks, political instability, and conflict.
- USAID's climate risk management (CRM) process and tools can help identify climate risks as part of the broader set of risks to be addressed through resilience approaches and programming and provide a framework for examining non-climate risks also.

Shock Responsive Development

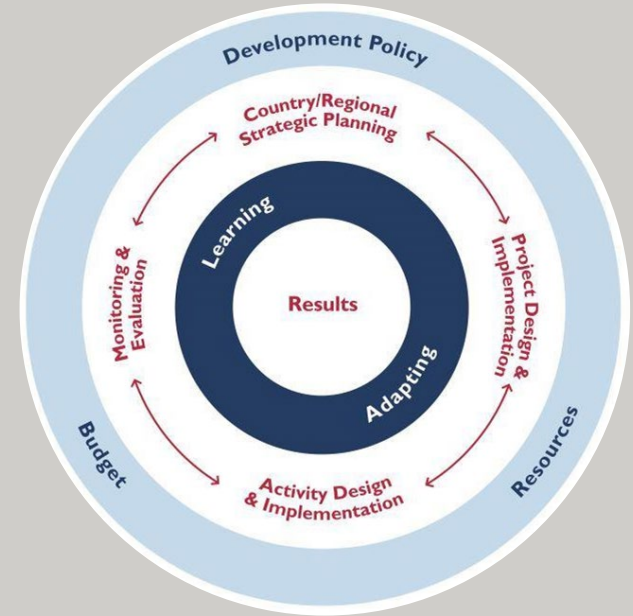
- **Why shock responsive development?**
 - Shocks are perennial features of countries where USAID works
 - Speed matters when crisis emerges
Decrease time between problem onset and action
 - Saves money in the longterm
- **What is shock responsive development?**
 - Ability to employ wide range of development and humanitarian assets
 - Adaptive approach, proactively anticipate and plan, build in flexibility to respond quickly and effectively at the appropriate scale and time





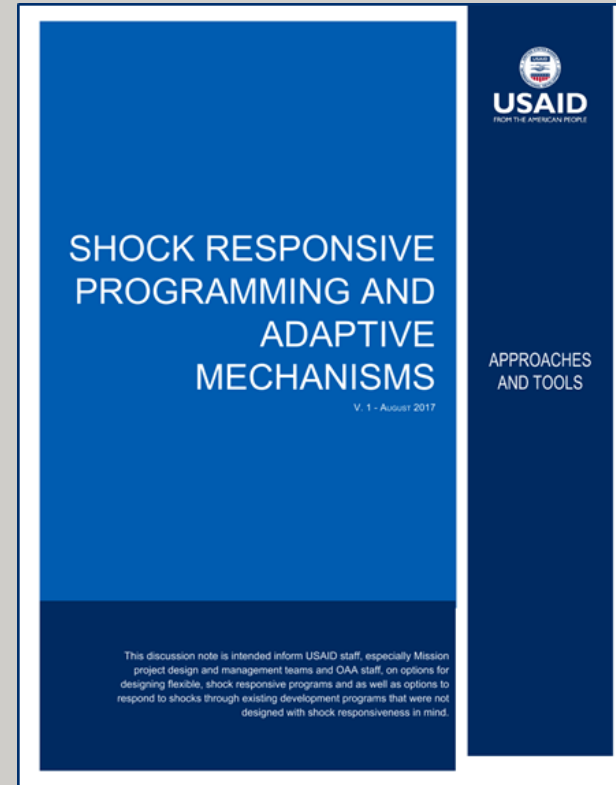
Program Cycle Principle: Managing Adaptively

- A “**shock responsive**” approach is an **adaptive** approach.
- Through the Program Cycle, Missions can build in **programmatic and operational flexibility**.



Guidance on Shock Responsive Programming

- Developed by C4R with OAA
- Provides USAID staff with **options for designing** new shock responsive programs and **options to respond** to shocks through existing programs
- Lists **procurement options and examples** for acquisition and assistance that are **within existing rules and regs**
- Includes **adaptive management resources and techniques** A&A professionals can consider at design stage or within an ongoing activity
- Socialized internally at USAID by OAA and BFS, public document



Getting Started: Design and Implementation Approaches, Tools and Options

1. Identify existing mechanisms
2. Check the language in the award
3. Review Changes clauses
4. Modification or new activity needed
5. Begin to incorporate adaptability/flexibility in new awards
6. Flexibility may be applied at the project/component/task level

Is there data or evidence already available that supports and demonstrates the need for flexibility?

Is language already included to allow such flexibility?

Acquisitions & Assistance Examples

Flexible “Living” Work Plans

- Can be used in both Acquisition or Assistance
- Allow for work plan adjustments
- Important to note that a **within scope** modification or amendment may be issued
- Many work plans are not finite and can be adaptable

Sample Language:

“The work plan serves several purposes, including a guide to program implementation; a demonstration of links between activities, strategic direction, outcomes and intended results; and a basis for budget estimates. The work plans should be organized to clearly link activities to the objectives and outcomes in the Program Description. The Recipient shall ensure a collaborative process in work plan development consulting [LEAD PARTNER NAME] partners, USAID, and other relevant stakeholders in preparing the annual work plan to ensure complementarity and share ownership.”

Acquisitions & Assistance ExamplesCont.

Phased Implementation

- Can be done in emergency and non-emergency situations
- Consider using phased strategy within the procurement using concepts, oral presentations and go creation
- 3P approach- Pause, Pivot, Proceed



What does shock responsive programming mean for USAID partners?

- More demand for integrated, shock responsive development work in complex risk environments (including NPEs, conflict affected, etc.)
- More emphasis and requirements for flexibility, adaptive management, and shock response in RFAs and RFPs, may include increased/novel uses of crisis modifiers in awards
- More focus on collaborative programming and collective impact across USAID and other development partners Focus on contribution, not attribution, and across HA/DA nexus (easier said than done)
- Using pre and post award co-creation processes (workshops, draft RFAs/RFPs, RFIs, refinement periods, etc.) more strategically to design for complex environments
- More focus on measuring changes in resilience at the household and systems level in response to shocks to tell USAID's story, less on specific activity outputs

What does shock responsive programming mean for USAID partners? (continued)

- Nuanced understanding of complex risk environments, where climate, conflict, economic shocks interact with long term stressors like environmental degradation, poor governance, population growth, etc. and plans for mitigating risk
- Understand and be ready to explain how your work fits into larger context including:
 - Other USAID partners
 - Other donors
 - Host country govt.
 - Private sector
- Many USAID partners have experience in HA, DA, OTI, postconflict, etc.- How to bring the right expertise and personnel, across countries and types of programming
- Think about likely shocks and contingency planning up front/needed info? Systems, like rapid or pre-authorized procurement, grants, etc?
- Be realistic startup timelines, security protocols, staff security, indicators, etc.
- Talk to USAID

USAID's Resilience Programming in Niger and Burkina Faso

- **Challenge:** Shock prone region (96% of HHs experienced a shock in previous year) and shocks and stresses in the Sahel projected to be more severe in the future.
- **Operating Environment:** Increasing VEO activity and high likelihood of a large drought shock during implementation in the context of weak government capacity.
- **USAID Response** Resilience in the Sahel Enhanced II (RISE II) program focused on a targeted geography (zone of influence) in which multiple partners implement complementary programs in the same areas and program collaboratively.
- **RISE II goal** Chronically vulnerable populations in Burkina Faso and Niger, supported by resilient systems, effectively manage shocks and stresses and pursue sustainable pathways out of poverty.
- **Approach:** Flexibility across mechanisms designed to help us respond iteratively to changing conditions and be ready to deal with shocks and support other investments.

RISE II Updated Approach

- Builds off the Operational Strategy for the Shock Responsive RISE Programming (“SRRP”) and experience with RISE 1, adapting for increased conflict
- Includes common language in all procurements
 - **Contingency plans** defined in award language, aligned with crisis modifiers
 - **Geographic flexibility:** Ability for USAID to to expand, shrink or change focus zone
 - **Six month refinement period** to align with other RISE II partners on operational and programmatic approaches. Revised activity design and work plan due at 6 month mark.
- Developed/ing RISE-wide common resources, templates, streamlined data tracking, annual partner debriefs and designated lead/support mechanisms

Procurement Language Examples

Niger Markets and Nutrition Program NOFO

M&N crisis response activities will be oriented toward supporting direct M&N beneficiaries who may be affected by a shock. In addition, responses could address impacts to the targeted market systems, such as through a systems level intervention to address a shock that has wide impacts on a value chain. USAID may request the Implementer to address other impacted beneficiaries. Both USAID and M&N will monitor shocks and stresses, and either party can initiate a discussion about possible use of the crisis modifier.

Evaluation Criteria #4: Programming in Insecure Zones: The extent to which the Applicant demonstrates an effective strategy for adapting the technical approach in insecure zones and the feasibility of that approach to address drivers of conflict and support for violent, extremist organizations.

Procurement Language Examples

FY 2020 Development Food Security Activity in Mali Draft RFA

Adaptive Management approach must include:

- Plan to maintain flexibility and agility in a dynamic context, including approach to incorporating shifts in program strategy/TOC into operations, logistics, partnerships/consortium arrangements and staff training.
- Adaptive management approaches and skills, at all levels of staffing including field agents that will enable feedback cycles that foster experiential learning and analysis of data from assessments, surveys, research, and routine monitoring, as well as **scenario planning around activity responses to anticipated shocks and/or changes in the political, social, environmental or market context**. The applicant should describe the management processes that will enable the application of analysis and learning in adjustments to the ToC and other design elements, adaptations to ongoing implementation and management strategies, and updates to learning strategies and plans.

RISE II Shock Response Approach

- Pre-select a core set of shocks (2-4) that are most likely to undermine the Activity’s desired outcomes
- Establish thresholds for each shock and phase: “status quo”/normal; shock imminent; shock underway; post-shock
- Define clear actions, roles, and responsibilities for when each threshold is

Activity/ Sector	Normal (“status quo”)		Stages of Shock					
	Response: Ongoing/Best Practice/Risk Reduction/Management		Stress		Emerging Crisis		Recovery	
			Response: Immediate		Response: Urgent/Emergency		Post-shock	
					Heading to Humanitarian		Moving back to Development	
	Ex ante and Ex post		Ex post		Ex post		Post	
	Shock/Risk	Response Options	Shock/Risk	Response Options	Shock/Risk	Response Options	Shock/Risk	Response Options

Sample Award Language: Water Security and Resilience



Relevant Sections for Contingency Planning

ATTACHMENT A - SENEAL

A.5.2 Performance Monitoring and Reporting

a. Annual Work Plan

A draft Year One work plan must be submitted to USAID by the end of the Cooperative Agreement. It will cover the first 12 months of the Cooperative Agreement. The recipient will provide written comments to the Recipient within 14 days of receipt of the draft update to the Plan to the AOR for approval not later than one day from receipt of USAID's written comments. For each subsequent update, the Recipient will be required to prepare and submit an annual implementation plan to the AOR for approval not later than one day from receipt of USAID's written comments before the beginning of the fiscal year that the plan covers.

The workplan will serve as a guide for program activities, demonstrate the links between activities and intended results, and provide budget estimates; and serve as the foundation for the development of the annual work plan which will outline key activities and the expected results for the year, including a timeline with relevant milestones, a risk management plan, and a communication management plan. The work plan should also describe the roles and responsibilities around specific program activities. A budget with sufficient detail to allow for the annual implementation plan must be included.

The Recipient will work closely with USAID Senegal and USAID offices in Burkina Faso and Niger in developing and implementing the work plan, preferably through a consultative project launch meeting. The Recipient should prepare a work plan with country-specific sections to allow for separate review and approval of activities in each country. USAID expects that all work plans will be developed in close formal and informal consultation with other RISE II implementing partners, including DFSA partners. Collaboration with the DFSA partners will be particularly important during Year One of their (DFSAs) awards, during which time DFSAs will be called upon to conduct analyses and assessments to refine their proposed activities.

Crisis Modifier Supplement: For this Activity, the Crisis Modifier serves to fund the activity contingency plans, which are developed in conjunction with the annual work plan and approved by USAID. During the "refinement" period, the Recipient will develop a

In the event that the Crisis Modifier in Section A.12 below need to be activated for a shock that is not covered by the active, pre-approved contingency plans, the Recipient will have two days to prepare a concise supplement to the contingency plan covering all activities covered by the Crisis Modifier for the current annual work plan, which should include, at a minimum, the evaluation of the new shock including threshold data and evidence of trigger, proposed interventions and geographies, and accompanying budget. USAID will review the draft supplement to the contingency plan and provide comments/suggestions within two days of receipt. The Recipient shall then submit one electronic copy of the final supplement to the annual work plan to the AOR for approval not later than one day from receipt of USAID's comments/suggestions.

...ing against all indicators; 3) financial ratios; 4) at least two relevant photos; 5) Annual Environmental Mitigation and Adaptation Report; and 6) Annual Shock Response Contingency Planning Report. The annual report must be submitted on or before October 15th of each year in order to be included in USAID's annual performance reporting requirements. For all results that either exceed or fall short of the annual target by 10% or more, a narrative explanation must be included. Please highlight in a different color all indicators that exceeded (green) or fell short (red) of their target so they can be easily distinguished from the rest.

d. Activity Monitoring, Evaluation, & Learning Plan (AMELP)

...ibility for shock response described in the Plan to the AOR for approval not later than one day from receipt of USAID's written comments/suggestions.

...so and Niger that are covered under this form of drought, flood etc. Experience has shown that USAID/SRO Activity can contribute to the resolution of a crisis. In the event that USAID/SRO Recipient is authorized to incur costs under the Crisis Modifier in Section A.4. above, and conduct activities in Section A.5.2a. above.

...that provides the possibility of more direct assistance to the Recipient and does not undermine the achievements of the Recipient. The WSR Crisis Modifier serves to fund the Recipient's activities in conjunction with the annual work plan during the "refinement" period. WSR will develop a shock response supplement to the contingency plans for significant potential shocks to the activity. The Recipient shall establish the additional actions to be undertaken in the event of an anticipated or actual shock. Design and implementation of the shock response shall be done in consultation with OFDA and FFP and shall be coordinated with other implementing partners and response efforts among different implementing partners.

...written instruction signed by the Agreement Recipient. The Crisis Modifier in Section A.12 is hereby

activated." The Crisis Modifier can be activated as many times as is determined appropriate by USAID/SRO, subject to the limitations on the total amount for Crisis Modifier activities as set forth in Section A.3.1 above.

In the event that the Crisis Modifier need to be activated for a shock that is not covered by the active, pre-approved contingency plans, the Recipient will have two days to prepare a concise supplement to the contingency plan covering all activities covered by the Crisis Modifier for the current annual work plan, which should include, at a minimum, the evaluation of the new shock including threshold data and evidence of trigger, proposed interventions and geographies, and accompanying budget. USAID will review the draft supplement to the contingency plan and provide comments/suggestions within two days of receipt. The Recipient shall then submit one electronic copy of the final supplement to the annual work plan to the AOR for approval not later than one day from receipt of USAID's written comments/suggestions.

Additional Resources

Guidance:

https://usaidlearninglab.org/sites/default/files/resource/files/shock_responsive_programming_guidance_compliant.pdf

www.usaid.gov/resilience

Coming soon: Resilience links