Introduction to Working with USAID on Government to Government Agreements

Government to Government Webinar Series #1
March 18, 2021
Presentation Outline

I. Welcome

II. Background

III. Process: Overview of How Partner Governments and USAID work together on G2G
   A. Eligibility
   B. Planning: Consultations
   C. Design and Co-Creation
   D. Risk and Capacity Assessment and Mitigation
   E. Negotiation and Signing
   F. Implementation and M&E

IV. Questions and Discussion
WEBINAR PROCEDURES

1. The recording and presentation for today’s webinar will be emailed to attendees and also saved on ASAP’s website https://www.intrahealth.org/asap-resources

1. Please raise your hand if you would like to speak and you will be unmuted. The raise hand icon is on the bottom of your screen.

1. Please use the Q&A for any questions. We will answer most of them live and all of them written out.

1. Please complete the poll during the last 15 minutes of the webinar to inform our future sessions.
WELCOME

Clint Cavanaugh, Director of the Office of HIV/AIDS, USAID/Washington
I. BACKGROUND:
Government-to-Government (G2G) assistance refers to when USAID disburses funds directly to a partner government entity. The money goes through the partner government’s own financial management, procurement or other systems.
USAID DIRECT INVESTMENT WITH PARTNER GOVERNMENTS
(October 1, 2019 - December 31, 2020)

Countries with USAID G2G Obligations
- Afghanistan
- Armenia
- Bangladesh
- Benin
- Bosnia-Herzegovina
- Egypt
- Ghana
- Honduras
- Jamaica
- Jordan
- Liberia
- Malawi
- Mozambique
- Nepal
- Pakistan
- Peru
- Senegal
- South Africa
- Tanzania
- Uganda
- Zambia

TOTAL USAID G2G FUNDING September 30, 2019 - December 31, 2020: $2.7 billion
*Data pulled from USAID Obligation System
Why Establish Direct Partnerships Between USAID and Partner Governments?

Why USAID would want to use a G2G

- Strengthens relationships between our partner governments
- Supports achievement of programmatic results
- Strengthens national health and financial systems
- Long-term sustainability

Why Partner Governments would want to use a G2G

- Financial support for health services for country constituents
- On-budget and transparent funding
- More coordinated donor programs with national programs and priorities
“To achieve sustained control of the HIV/AIDS epidemic, it is essential that PEPFAR teams actively and routinely coordinate and communicate with stakeholders and partners … PEPFAR is committed to continually strengthening its partnership with host-country governments to ensure alignment between PEPFAR contributions and national priorities and investments.”

- PEPFAR Country Operational Plan FY2021 Guidance
WHAT KINDS OF ACTIVITIES MIGHT BE IN YOUR HIV G2G AWARD?

G2G ACTIVITIES: At National and/or Sub-National Levels

Services

- HIV SERVICES
- OTHER HEALTH SERVICES (TB, Maternal Child Health, Malaria, Infectious Disease, COVID)

Capacity Building

- PUBLIC FINANCIAL SYSTEMS
- DATA LOGISTIC MANAGEMENT
- TECHNICAL CAPACITY SUPPORT
- PROCUREMENT AND HUMAN RESOURCES SYSTEMS
PEPFAR USAID G2G COUNTRY TECHNICAL EXAMPLES

**Prevention & Care and Treatment**
(MoH, Provincial and District Health Authorities)

- **Zambia: Provincial Health Offices in Central, Copperbelt, Luapula, and Northern**
  Focus on capacity building, mentorships, trainings and shifting to service delivery in HIV, TB, Malaria, Maternal & Child Health, Nutrition, Family Planning

**OV&C/ Social Welfare/Protection**
(Ministry of Social Welfare, Youth Ministry, Gender Ministry)

- **South Africa: Department of Social Development**
  Scale up and implement comprehensive social and behavioral change package for HIV services among 10-18 year old young people in Gauteng and KZN Provinces

**Supply Chain**
(MoH, Central Medical Stores)

- **Mozambique: Central Medical Stores**
  Strengthen the reliability and sustainability of the medical commodities supply chain through support for reforms in the Pharmaceutical Logistics Strategic Plan, and the procurement policies, processes and procedures
II. PROCESS:
Overview of How Partner Governments and USAID work together on G2G
THE PROCESS OF JOINTLY WORKING TOGETHER ON G2G:

Estimates of whole process can take between **2 months - 2 years** (but varies depending on availability of people and for meetings and co-creation activities)
1. COUNTRY ELIGIBILITY FOR G2G WITH USAID
Since 2019, USAID has been required by Congress to confirm that a recipient government meets certain criteria before providing direct G2G assistance:

- Staff who have the necessary technical, financial, and management capabilities;
- Competitive public procurement policies and systems (i.e., transparent and fair government contracting);
- Effective internal oversight (monitoring and evaluation systems; fraud prevention);
- Transparent public financial management (national budgets made publicly available);
- No affiliation with a sanctioned individual or organization;
- Protection of human rights (with specific reference to civil and political rights)
Latest assessment finalized by State on May 1, 2020 for FY14-20 Funds, New countries can be added if the USAID Mission request a review each year
WHAT PARTNER GOVERNMENTS CAN DO IF THEY ARE NOT ON THE LIST OF ELIGIBLE COUNTRIES?

- **Talk** to the USAID Mission to express interest
- **Learn** why your country might not be listed and what a partner government can do to be considered for G2G support
- **Understand** how a partner government can address issues that have been identified by USAID for course correction to be eligible for direct assistance via G2G
- **Engage** with USAID Mission to see if USAID has other possibilities, including a possible waiver request
2. PREPARING FOR G2G: CONSULTATIONS
CONSULTATIONS:
Is the Partner Government Interested in a G2G with USAID?

- Introduction of G2G process—often a presentation from USAID on G2G and anticipated expectations for the process
- Partner Government internal discussions before any finalized formal decision
- Identify partner government and USAID team to work on co-creation

**TIP:** Building relationships and trust between partner governments and USAID is key!
3. DESIGN AND CO-CREATION:
Collaborating and Creating G2G Design Together
### Partner Government G2G Team Members*

<table>
<thead>
<tr>
<th>Ministry Leadership (Minister or Permanent Secretary) / Sub-National Health Office Director/ Ministry of Finance</th>
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<tbody>
<tr>
<td>Signs G2G award</td>
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<thead>
<tr>
<th>Ministry of Health/ Education / etc Technical Teams / Sub-National Health Offices HIV/Other Health Areas (Clinicians) / Planning/ Strategic Information/</th>
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<tr>
<td>Technical Lead and Design Lead</td>
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<tr>
<th>Ministry of Finance / Health / Education/ etc at National / Sub-National Health Office / Facilities Budget, Procurement, Human Resources, and Accounting Specialists</th>
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<tr>
<td>Financial Risk Assessments and Mitigation Measures</td>
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<th>Ministry of Justice</th>
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<td>(in some countries may Review additional Legal considerations)</td>
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<tr>
<th>Ministry of Health Planning Unit / Legal Advisors</th>
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<td>Reviews Legal considerations</td>
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### USAID Partner Government Systems Team Members*

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<th>Mission Director</th>
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<td>Signs G2G award</td>
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<th>Health/HIV Office</th>
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<td>Technical Lead and Design Lead</td>
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<tr>
<th>Controller/ Office of Financial Management (Regional or Bilatera)</th>
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<td>Financial Risk Assessments and Mitigation Measures</td>
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<th>Regional Legal Advisors (Regional or Bilateral)</th>
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<td>Reviews Legal considerations</td>
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<th>Democracy and Governance Office</th>
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<td>Governance Reviews</td>
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<th>Program Office</th>
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<td>Internal policies</td>
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*Design team may include other Partner Government & USAID members, including Ministry of Planning or USAID Office of Assistance and Acquisition
Partner Government and USAID are approached as equals in a partnership to:

○ Co-design activities in a manner to leverage the commitment, resources, expertise, and ownership of the partner country government system

○ Mutual agreement between the partner government and USAID to implement an activity based on mutually agreed objectives

**TIP:** Often a workshop is held to bring together stakeholders at the start of co-creation
COUNTRY EXAMPLE: UGANDA

Miriam Murungi, USAID Government Agreement Technical Representative (GATR)
Mbarara Regional Referral Hospital, USAID /Uganda

Dr. Barigye Celestine,
Hospital Director Mbarara Regional Referral Hospital (RRH) (on left)

Dr. Peter Okello Odeke,
Principal Hospital Administrator-Mbarara RRH (on right)

Atlantic Ocean

Uganda
4. RISK / CAPACITY ASSESSMENT AND MITIGATION
MANDATORY ASSESSMENTS

Risk Assessment Report and Risk Mitigation Report:
- Budget
- Procurement
- Cash Management
- Accounting and Reporting
- Internal Controls
- Audit and Compliance
- Human Resources
- Information Technology
- Governance
- Fraud

Technical Capacity Assessment:
- Targeted technical capacity reviewed on specifics for the outcomes to be achieved
METHODOLOGY OF G2G RISK ASSESSMENT

**WHO:** USAID Controller and Health Team, often with support from contracted staff or consultants and Partner Government Ministry of Health and Head of Finance, Audit, Procurement and Ministry of Finance

**WHAT:** Desk review, key informant Interviews, validation of answers through testing and document review. Example documents reviewed:

- Policies and guidelines
- Human resource personnel file
- Procurement process
- Sample budget and payment process
- Audit report

**WHEN:** Starts after initial consultations. Takes between 2-6 weeks

**TIP:** Virtual Risk Assessments can be done during COVID

Photo: Risk assessment in Ministry of Youth and Sport, Namibia
WHAT HAPPENS AFTER RISK ASSESSMENT?

Key Risk Related Deliverables:
- Risk Log and Risk Matrix
- Risk Assessment Report
- Risk Mitigation Plan

Public Financial Management Risk Assessment Framework for Ministry of Finance (MOF), Ministry of Education, Science, Vocational Training, and Early Education (MESVTEE), and the Examination Council of Zambia (ECZ)
RISK/CAPACITY ASSESSMENT: Uganda

Rena Mukasa,
Chief Accountant/ Deputy Controller
USAID /Uganda

Dr Barigye Celestine,
Hospital Director Mbarara Regional Referral Hospital (RRH) (on left)

Peter Okello Odeke,
Principal Hospital Administrator-Mbarara RRH (on right)
5. G2G NEGOTIATION AND SIGNING
USAID and the Partner Government will negotiate the final terms of the G2G agreement before signing, some example topics:

- Confirmation on Milestone, Output, Target #s, %s and Estimated Completion Dates
- Agreement on Milestone Payment Amounts
- Conclusion on Final Risk Mitigation Plan and any risk measures that need to be addressed prior to signing G2G agreement
- Final Coordination on Verification forms (or systems) to be used for Milestones and Reimbursement Requests
Milestones can be PEPFAR indicators - already clear system to collect data.

Costs are calculated based on unit expenditures for particular activities and resources needed to achieve milestones.

### Milestone Table Example

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Output Description</th>
<th>Indicator</th>
<th>COP19 (FY20) Target</th>
<th>Minimum performance threshold for milestone payment</th>
<th>Verification Method</th>
<th>Estimated milestone verification date</th>
<th>Timing</th>
<th>Estimated cost of milestone ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HTS</strong></td>
<td>Number of individuals who received HIV Testing Services (HTS) and received a positive result</td>
<td>HTS_TST_pos</td>
<td>317</td>
<td>317 positive patients identified during FY20/COP19</td>
<td>Review number of newly identified HIV positive people reported in DATIM/PEPFAR database augmented by spot-checks in HTS register at the health facility</td>
<td>11/30/2020</td>
<td>Q3 of pilot</td>
<td>$9,903.60</td>
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<td></td>
<td>Monitoring trends in the uptake of HTS</td>
<td></td>
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<tr>
<td><strong>TX_CURR</strong></td>
<td>Number of adults and children currently receiving antiretroviral therapy (ART)</td>
<td>TX_CURR</td>
<td>4,390</td>
<td>4,390 active on ART every quarter</td>
<td>Review number of HIV positive people active on ART reported in DATIM/PEPFAR database augmented by spot-checks/file audits registry and patient file at facility</td>
<td>5/31/2020</td>
<td>Quarterly</td>
<td>$15,691.51</td>
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<td>Assesses the ongoing scale-up of ART</td>
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<td></td>
<td>Proportion of ART a suppressed viral result (&lt;1000 copies documented in the ART)</td>
<td></td>
<td></td>
<td>90% viral suppression rates every quarter</td>
<td>Review the scale-up on the viral load (<a href="https://vdash/clients-receiv">https://vdash/clients-receiv</a></td>
<td></td>
<td></td>
<td>$31,639.18</td>
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**Attachment III_Milestones**
USAID and Partner Government jointly draft activities and milestones.

USAID prepares draft unit costs associated with all activities to propose milestone and activity payment amounts and schedule.

Partner Government reviews milestone and activity payment amounts and schedule; Negotiates with USAID for changes, as needed.

Final milestone and activity payment amounts are agreed by both parties.

**TIP:** This process can take weeks, but it is essential to have clear expectations on payment schedules and completion dates, for successful implementation of the G2G award.
FINALIZATION AND SIGNATURES

- Signing is done with the USAID Mission Director as signatory from USG and Ministry of Health or Finance signing often along with a Provincial Health Office Director or other co-signing.
- First signed by USAID, then Host Country Government.
- Occasionally Partner Governments and USAID will co-host a G2G signing Ceremony.

**TIP:** USAID Clearance time for final package can be 15 days to multiple months.
6. PARTNER GOVERNMENT G2G IMPLEMENTATION & MONITORING AND EVALUATION
Communication and Coordination:

- Partner Government will assign a G2G main point of contact for communicating with USAID on the agreement and to facilitate coordination across Ministry staff working on the G2G award.
- USAID will assign a Government Agreement Technical Representative (GATR) to be the main point of contact for a G2G agreement from the USAID side.
- Kick Off Meeting: opportunity to re-review the G2G Award with all parties and to begin developing the award workplan.
PAYMENT SUBMISSION TO USAID

1. Partner Government submits Standard Form 1034 that triggers liquidation of advance OR reimbursement of milestone result/activity cost incurred, as request from Partner Government to USAID

1. USAID voucher examiner reviews form and shares with USAID Government Agreement Technical Representative

1. USAID Government Agreement Technical Representative reviews request with milestone/activity verification form and supporting documentation
PARTNER GOVERNMENT G2G IMPLEMENTATION: VERIFICATION & PAYMENT

Verification

- Fixed Amount Reimbursement Award: Milestone verification based on results
- Cost Reimbursement Award: Activity verification based on actual costs incurred
- Verification Forms are often agreed to by Partner Government and attached to G2G award

Payment Structure

- Advances are allowed under G2G awards with USAID
- If a milestone or activity is unmet, in some cases, payments can still be made based on a pre-negotiated amount for partial completion

TIP: Partner Government and USAID work together to determine if a milestone or activity might be re-negotiated
USAID Fiscal Year (October 1 - September 30)
PEPFAR Activity Implementation (October 1 - September 30)

ILLUSTRATIVE TIMELINE FOR A PEPFAR G2G

- **G2G Signed** (June)
- **Start implementation of G2G award** (July)
- **Submit / Approve Workplan** (OCT)
- **Milestone Verification** (Monthly or Quarterly depending on agreement)
  - Q1 data and financial reports (DEC)
  - Q2 data and financial reports (MAR)
  - Q3 data and financial reports (JUNE)
  - Q4 data and financial reports (SEPT)
- **Annual Expenditure Reporting data due** (OCT)
Partner Government G2G IMPLEMENTATION: Zambia

Dr. Mathew Ngambi,
Decentralized Division Chief
USAID Zambia

Dr. Robert Zulu,
Director of Copperbelt Provincial Health Office
RESOURCES AND DISCUSSION
UPCOMING EVENTS:

<table>
<thead>
<tr>
<th>Webinar Title</th>
<th>Date</th>
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<tbody>
<tr>
<td>Design Co-Creation</td>
<td>May 6</td>
</tr>
<tr>
<td>Risk/Capacity Assessment and Mitigation</td>
<td>June 30</td>
</tr>
<tr>
<td>Negotiation and Signing</td>
<td>August 5</td>
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<tr>
<td>Implementation and Monitoring &amp; Evaluation</td>
<td>September 23</td>
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TIP: Reach out to your USAID Mission with questions

RESOURCES:

- USAID G2G Policy Guidance: [ADS 220](#)
- USAID G2G Risk Management and Implementation Guide
- USAID Risk Appetite Statement
- PEPFAR Country Operational Plan (COP) FY2021 Guidance
Questions?