



ADVISORY  
NOTICE

# Key Questions To Inform USAID's COVID-19 Response

*USAID Office of Inspector General  
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## ADVISORY NOTICE

**DATE:** May 21, 2020  
**TO:** USAID Acting Administrator, John Barsa  
**FROM:** USAID Inspector General, Ann Calvaresi Barr /s/  
**SUBJECT:** Key Questions To Inform USAID's COVID-19 Response

On January 30, 2020, the World Health Organization (WHO) declared a Public Health Emergency of International Concern for the novel coronavirus SARS-CoV-2 (COVID-19) outbreak that began in the People's Republic of China. The next day, the President of the United States declared a domestic Public Health Emergency. The virus subsequently spread worldwide, and on March 11, 2020, WHO characterized the outbreak as a pandemic. The President of the United States declared a national emergency on March 13, 2020.

The President formed the White House Coronavirus Task Force to helm the U.S. Government's overarching COVID-19 response.<sup>1</sup> According to USAID, the Agency is working closely with the State Department, CDC, and other interagency partners to prioritize countries and allocate COVID-19 funding. To coordinate the Agency-wide approach to this global threat, the USAID Administrator activated the Crisis Action Team on January 31, 2020, and established a COVID-19 Task Force on March 3, 2020. In addition, USAID's Office of U.S. Foreign Disaster Assistance (OFDA) activated a COVID-19 Response Management Team to support OFDA and Office of Food for Peace (FFP) operations and coordinate COVID-19 readiness and response activities in

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<sup>1</sup> The White House Coronavirus Task Force oversees the Administration's actions to monitor, contain, and mitigate the spread of COVID-19. Led by the Vice President, it includes members from the State Department; Department of Health and Human Services (HHS), including the U.S. Centers for Disease Control and Prevention (CDC); the Department of Homeland Security; the National Security Council; and other agencies. The U.S. Global AIDS Coordinator, head of the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), is the appointed COVID-19 Response Coordinator. USAID is not directly represented on the Task Force.

existing humanitarian crises. Other groups within USAID, like the Bureau for Global Health's sustained crisis response group, further support Agency-wide coordination efforts.

The State Department and USAID's joint COVID-19 response strategy is multifaceted and aims to protect the safety and health security of its global workforce, ensure continuation of the Agency's mission across the world, and support partner countries in their response to COVID-19. Congress has appropriated approximately \$1.34 billion in supplemental funding for USAID's programming and operations related to COVID-19 and \$1 million for USAID Office of Inspector General (OIG) oversight.<sup>2</sup> With additional funding from various Agency accounts and the State Department, the total investment in USAID's COVID-19 activities approaches \$2 billion—in addition to funding USAID redirected from existing development programs to support the COVID-19 response.

Our independent oversight informs USAID's decisions to better safeguard taxpayer dollars and maximize the impacts of foreign assistance. To ensure we are being timely and proactive, this advisory notice poses key questions from past lessons learned for USAID to consider while planning and executing its response to the COVID-19 pandemic. We drew upon the top management challenges we report annually to USAID, which provided the framework for this advisory.<sup>3</sup> Accordingly, the lessons learned fall under four broad areas: (1) managing risks to humanitarian assistance amid a public health emergency of international concern; (2) maintaining responsibilities for planning, monitoring, and sustaining U.S.-funded development; (3) maximizing stakeholder coordination for a global COVID-19 response; and (4) addressing vulnerabilities and implementing needed controls in Agency core management functions.

In developing these questions, we drew upon our prior and ongoing audit, investigative, and advisory work on public health emergency response, global health supply chain, humanitarian assistance, and other relevant topics. We also referred to our oversight work on overseas contingency operations that we conduct jointly with OIGs for the Departments of Defense, State, and Health and Human Services.<sup>4</sup> In addition, we reviewed related work from other oversight organizations, Governmentwide best practices, information on USAID's COVID-19 response from the USAID Task Force and other sources. USAID's comments on the draft are included as an attachment to this advisory.

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<sup>2</sup> Coronavirus Preparedness and Response Supplemental Appropriations Act, Public Law 116-123 (March 6, 2020) and Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136 (March 27, 2020).

<sup>3</sup> As required by statute, we [identify and report the most daunting challenges](#) facing the agencies we oversee and the progress made in managing them.

<sup>4</sup> We provide [oversight of overseas contingency operations](#) jointly with OIGs for the Departments of Defense, State, and Health and Human Services, and provide quarterly reports to Congress describing U.S. Government activities. Contingency operations we have reported on include Operation United Assistance, which was activated for the Ebola virus disease outbreak in West Africa.

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## Managing Risks to Humanitarian Assistance Amid a Public Health Emergency of International Concern

USAID is a global leader responding to crises and reported expending \$3.8 billion on humanitarian programs in 2019 alone. USAID's Administrator recognized the potential humanitarian impacts of the pandemic and issued a global disaster declaration on April 3, 2020, to allow USAID to use humanitarian assistance funding for broader COVID-19 relief. According to USAID, the Agency will prioritize these funds for its ongoing humanitarian assistance programs, which will be adapted and contextualized for the pandemic, as well as for programs in fragile countries that the pandemic could tip into a full-blown crisis.<sup>5</sup> USAID plans to coordinate humanitarian assistance with the United Nations Office for the Coordination of Humanitarian Affairs, World Food Programme, and other humanitarian partners that are participating in the global COVID-19 response.

Our audits and investigations, both prior and ongoing, have identified significant risks that USAID encounters in crisis environments that could keep aid from reaching intended beneficiaries. Heightened security threats coupled with large amounts of money create prime opportunities for unscrupulous individuals to commit fraud and divert goods to the black market, advance other criminal schemes, or provide material support to terrorist entities. Before the COVID-19 pandemic, for instance, USAID implementer personnel in Syria falsified beneficiary lists and diverted food kits to known terrorists. Weaknesses in procurement, logistics, and fraud reporting systems made commodities intended for displaced Syrians particularly susceptible to fraud schemes like kickbacks and product substitution, criminal organizations, and corrupt officials. Moreover, limitations to USAID's vetting and monitoring of national security information may affect its ability to fully assess, mitigate, and respond to threats to its humanitarian assistance programs—a concern that is compounded when visibility to fraud and misconduct in the field is already degraded for USAID and implementers due to COVID-19.<sup>6</sup>

COVID-19 adds new challenges to USAID's ability to plan, implement, and monitor humanitarian assistance. The tools and data sources USAID has relied on in the past for understanding on-the-ground conditions and planning interventions may have unprecedented limitations, given the widespread challenges collecting and validating data from the field, even for longstanding data collectors like the United Nations. Border closures to stop the spread of the virus disrupt supply chains for lifesaving goods and services, could constrain aid workers' ability to provide needed assistance, and make displaced communities more vulnerable. Non-pharmaceutical interventions like social distancing and contact tracing are also challenging to implement in high-density settings

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<sup>5</sup> As of May 1, 2020, USAID provided humanitarian assistance programs in FY 2019 that predated COVID-19 in Afghanistan, Burkina Faso, Central African Republic, Colombia, Democratic Republic of the Congo, Iraq, Libya, Myanmar, Nigeria, Somalia, South Sudan, Sudan, Syria, Ukraine, and Venezuela.

<sup>6</sup> USAID OIG, "[Limits in Vetting and Monitoring of National Security Information Pose Risks for USAID Humanitarian Assistance and Stabilization Programs \[Classified\]](#)," Advisory Notice, January 15, 2020.

like refugee camps, while restrictions on movements may impede food production, distribution, and access, with the potential to trigger a food crisis. USAID plans to support health, water, sanitation, and other activities to protect vulnerable populations and will need to remain nimble to address concerns as they emerge, as the Agency's strategy effectively allowed for during the Ebola response in West Africa.<sup>7</sup> It will also be important for USAID to consider how to effectively prioritize interventions, monitor implementation, and strengthen programmatic oversight when visibility is constrained and conditions are rapidly evolving.<sup>8</sup>

The pandemic may also affect USAID's ability to appropriately assess humanitarian needs—a challenge we identified during USAID's response to the Ebola virus outbreak in West Africa.<sup>9</sup> We found that OFDA did not effectively assess initial needs or reevaluate them as the outbreak evolved, leading to millions of dollars in excess commodities and the construction of some healthcare units that were not used. In addition, OFDA did not adequately oversee what it funded and lacked the needed information to track activities and determine the funding's effectiveness. In another case, for Ebola emergency food assistance, some FFP activities were months behind schedule, and beneficiary selection and documentation in one case were inadequate.<sup>10</sup> USAID's actions to address our Ebola-related recommendations should strengthen its COVID-19 response and help ensure beneficiaries get the assistance they need. However, continued diligence is required to ensure policies and tools are implemented effectively, particularly as USAID works to build the capacity, function, and structure of its new Bureau for Humanitarian Assistance—which combines OFDA and FFP—in the midst of the pandemic.<sup>11</sup>

Given these challenges managing risks to humanitarian assistance during a public health emergency of international concern, we pose the following questions drawn from past lessons learned to inform USAID's COVID-19 response:

- I. Has USAID provided staff and implementers sufficient guidance for prioritizing, adapting, and contextualizing humanitarian assistance programs to enable timely and efficient funding decisions? Are processes in place to ensure decisions are made in a transparent manner and that decisions for new programs as well as changes to existing programs are appropriately documented?

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<sup>7</sup> USAID OIG, "[Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Framework](#)" (9-000-18-001-P), January 24, 2018.

<sup>8</sup> USAID OIG, "[Oversight in Challenging Environments: Lessons From the Syria Response](#)," Feature Report, November 9, 2017.

<sup>9</sup> USAID OIG, "[Assessment and Oversight Gaps Hindered OFDA's Decision Making About Medical Funding During the Ebola Response](#)" (9-000-18-002-P), January 24, 2018.

<sup>10</sup> USAID OIG, "[Audit of Select Activities From the USAID/Food for Peace Response to the Ebola Crisis in West Africa](#)" (7-962-16-003-P), March 16, 2016.

<sup>11</sup> On February 11, 2020, USAID legally established three new bureaus: the Bureaus for Resilience and Food Security, Humanitarian Assistance, and Conflict Prevention and Stabilization. According to USAID, these three bureaus make up the new "Relief, Response, and Resilience (R3) Family."

2. What steps can USAID take to effectively assess implementer internal control systems and capacity to ensure aid is delivered to the intended beneficiaries? How can USAID obtain the information it needs to properly vet humanitarian assistance and avoid diversions to terrorist entities and other bad actors given limitations to accessing and monitoring national security information and directly observing field activities?
3. Are there additional measures that USAID should put in place to prevent and detect fraud and other misconduct, such as exploitation of beneficiaries, diversion, and product substitution? What procedures has USAID established to ensure implementers comply with mandatory disclosure requirements for suspected fraud in USAID programs, given implementers' restricted ability to identify fraud and other misconduct committed by their staff in the field? What best practices can USAID carry forward from its prior experiences, including those documented in OIG's compliance and fraud prevention guide for program implementers?
4. Does USAID have accurate and comprehensive information to understand on-the-ground conditions and make sound decisions about COVID-19 interventions? What is USAID doing to ensure the tools and data sources USAID typically relies on are effective in the COVID-19 environment? What other data sources could USAID consider?
5. What innovative methods can USAID and implementers use to plan, implement, and monitor humanitarian assistance in the context of COVID-19? Are there measures USAID can take to anticipate and mitigate potential impacts from closed borders and movement restrictions on its programs and beneficiaries? Should these measures be built into any new or modified programs? Given that COVID-19 lockdowns and travel restrictions can exacerbate food insecurity by restricting food production, distribution, and access, how are USAID's food and agriculture programs mitigating adverse effects?
6. As USAID stands up the new Bureau for Humanitarian Assistance, how can USAID leverage the strengths, best practices, and lessons learned by OFDA and FFP and ensure these are incorporated into the new bureau to help avoid past missteps? How will USAID promote improved policies and tools from the Ebola response in West Africa, like those that support evidence-based prioritized programming to ensure high-quality and effective humanitarian responses, and help staff conduct and update needs assessments?

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## **Maintaining Responsibilities for Planning, Monitoring, and Sustaining U.S.-Funded Development**

USAID's international development programs aim to help countries achieve self-reliance—and end the need for foreign assistance—through sustained advancements in global health, education, economic growth, governance, and other areas. These programs are designed to also advance U.S. national security and economic prosperity.

In fiscal year 2019, USAID obligated approximately \$13 billion in non-emergency foreign assistance to 138 countries to achieve these objectives. As the COVID-19 pandemic threatens lives worldwide, USAID is leveraging its longstanding global health programs to bolster health institution capacity to address the pandemic. USAID is also preparing to mitigate longer term, second-order impacts that could undermine the valuable economic and development gains USAID has realized over many years.

COVID-19 has already transformed the landscape for USAID's international development work. A pandemic of this magnitude brings forth unanticipated challenges and opportunities that USAID must consider in its ongoing and future development programming. At a corporate level, for example, USAID may need to update guiding strategies, like the Joint Strategic Plan with the State Department for fiscal years 2018 to 2022, to reflect new U.S. Governmentwide priorities.<sup>12</sup> The Agency may also need to determine if and how its appetite for risk has changed and revisit its Agency Risk Profile to reflect new risks that have emerged from COVID-19.<sup>13</sup> At a country level, USAID may need to consider the pandemic's impact on country-specific plans, including Country Development Cooperation Strategies and Journey to Self-Reliance Country Roadmaps, to ensure the path to sustainability is clear, coordinated, and reflective of the post-COVID-19 context.<sup>14</sup> At the implementation level, USAID may need to reassess its ongoing and planned work to determine what should be stopped, redirected, or expanded and if there are new initiatives for the Agency to explore.

To sustain development outcomes and prevent development backsliding through the pandemic, USAID plans to augment its work with host-country governments, the private sector, and other partners. Yet, sustainability has been a top challenge we report annually to USAID, with sustainability shortfalls often occurring when USAID's critical assumptions for a project, program, or activity do not hold true. In Haiti, for example, we found that USAID's electricity project stalled when the Haitian Government and private sector did not take on roles and responsibilities as planned, leaving a power plant in USAID care for years longer than intended.<sup>15</sup> Sustainability challenges extend to health system strengthening activities, which we found have been a secondary focus for

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<sup>12</sup> The Joint Strategic Plan (JSP) presents the vision and direction that guide how the State Department and USAID implement U.S. foreign policy and development assistance.

<sup>13</sup> In 2016, the Office of Management and Budget updated Circular A-123 to introduce a new requirement for the Agency to integrate enterprise risk management (ERM) with its internal control systems. ERM is a holistic, Agency-wide approach to risk management that addresses the full spectrum of risks, as an interrelated risk portfolio, rather than examining risks in silos. Under an ERM approach, the goal is not to control or avoid all risk, but rather to take advantage of opportunities while reducing or mitigating threats to maximize USAID's overall likelihood of achieving its mission and objectives.

<sup>14</sup> A Country Development Cooperation Strategy, typically a 5-year strategy, defines a USAID mission's chosen approach in a country, articulates the country's self-reliance trajectory, and details expected results. Journey to Self-Reliance Country Roadmaps serve as USAID's visualization tool for assessing self-reliance in a given country, based on 17 third-party, publicly available metrics that capture the concepts of commitment and capacity.

<sup>15</sup> USAID OIG, "[Misjudged Demand, Stalled Reforms, and Deficient Oversight Impeded USAID/Haiti's Sustainable Electricity Goals](#)" (9-521-19-001-P), November 13, 2018.

USAID and have achieved limited gains in preparing for large-scale health emergencies.<sup>16</sup> USAID agreed with our recommendations and, prior to the COVID-19 outbreak, was working to roll out a new vision by September 2020 that would balance broader health system strengthening activities with targeted health interventions. Important lessons from the COVID-19 response may serve to bolster this new vision.

Monitoring projects, programs, and activities and holding implementers accountable have been other longstanding challenges for USAID that will be more difficult because of COVID-19, which turns the typical development context into a nonpermissive environment.<sup>17</sup> For example, routine field visits by USAID and implementer staff are stymied by travel restrictions, underlying safety concerns, post evacuations, and mandatory telework. While USAID has issued basic guidance on how to maintain monitoring during the pandemic, such as adopting remote monitoring technology, putting these methods into practice will require staff and implementers to learn and deploy new techniques that work for their unique needs, and then validate them to ensure the data is good. Moreover, the pandemic will affect implementers' ability to carry out established work plans and achieve preexisting targets. USAID must determine how it can provide needed flexibility to implementers while holding them accountable to the American taxpayer through clear policies and procedures for adapting work plans, monitoring plans, reporting requirements, implementer performance evaluations, and other essential components of USAID's program cycle.<sup>18</sup>

As USAID continues to rely on its \$9.5 billion Global Health Supply Chain – Procurement and Supply Management (GHSC-PSM) project to procure and deliver health commodities around the world, USAID must stay vigilant to mitigate supply chain risks that may grow in the face of the pandemic.<sup>19</sup> Since 2016, our investigations and joint operations with authorities have identified fraud, waste, and abuse at points along the supply chain, ranging from large-scale, illicit resale of USAID-funded commodities on the black market to false claims and kickbacks solicited by project staff and local vendors. In addition, some host-country governments that USAID relies on for warehousing and distribution have been unwilling or unable to implement needed controls to prevent theft and safeguard commodities. USAID is working to address these issues aided by information from our ongoing audits and investigations, but remaining risks may transfer to USAID's unfolding response to the COVID-19

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<sup>16</sup> USAID OIG, "[More Guidance and Tracking Would Bolster USAID's Health Systems Strengthening Efforts](#)" (4-936-20-001-P), October 21, 2019.

<sup>17</sup> USAID defines a nonpermissive environment as a context in which uncertainty, instability, inaccessibility, or insecurity constrains USAID's ability to operate safely and effectively.

<sup>18</sup> The program cycle is USAID's operational model for planning, delivering, assessing, and adapting development programming in a given region or country to advance U.S. foreign policy. Policies and procedures are outlined in Automated Directives System, chapter 201, "Program Cycle Operational Policy."

<sup>19</sup> USAID OIG, "[Advisory Update on Global Health Supply Chain-Procurement and Supply Management Project](#)" Advisory Notice, October 11, 2018; and USAID OIG, "[Global Health Advisory on Internal Control Concerns](#)" Advisory Notice, June 7, 2017.

pandemic. An emerging concern reported by multiple sources in the global COVID-19 response is the growing risk of subquality commodities, product substitution, and price gauging, which causes more harm than good to beneficiaries. USAID has acknowledged the increased risks of corruption within health systems, local governments, and the private sector and plans to address it by promoting citizen-responsive governance amid the COVID-19 pandemic. In leveraging its democracy, human rights, and governance programs to combat corruption, USAID staff will need to be aware of and have access to Agency expertise and resources to help strengthen this approach.<sup>20</sup>

To support the planning, monitoring, and sustainability of USAID's development programs, we pose the following questions drawn from past lessons learned to inform USAID's COVID-19 response:

1. How will USAID reassess and revise existing strategies and guiding documents at the headquarters, country, and implementation levels to reflect the challenges and opportunities brought on by COVID-19? Will USAID perform an overarching scan of its projects, programs, and activities to determine what may be stopped, redirected, expanded, or explored?
2. How has USAID's Agency Risk Profile and appetite for risk changed? How will this affect USAID ongoing and planned programs during the COVID-19 pandemic, as well as afterwards? How will USAID document and institutionalize these changes?
3. How does USAID plan to reevaluate critical assumptions for its development programs that may be affected by changing conditions brought on by COVID-19? What adjustments will USAID make if critical assumptions have changed, and what documented policies and procedures will USAID follow to make these adjustments? Are there short-term alternatives USAID should consider to mitigate direct and indirect effects of COVID-19 disruptions on the long-term sustainability of its development programs?
4. How can USAID build staff and implementer capacity to apply innovative monitoring methods to development programs? How will USAID ensure monitoring data from new methods meet USAID's five data quality standards—validity, integrity, precision, reliability, and timeliness? Does USAID have a monitoring and evaluation framework to measure and assess its COVID-19 development programs and activities discretely, and as a whole to showcase USAID's overarching response?
5. What additional development policies and procedures does USAID need to provide to ensure changes to work plans, monitoring plans, implementer performance evaluations, and other essential components of USAID's program cycle are

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<sup>20</sup> USAID OIG, "[Additional Actions Are Needed to Improve USAID's Democracy, Human Rights, and Governance](#)" (8-000-20-001-P), November 26, 2019.

- appropriately documented and to maintain implementer accountability to the American taxpayer?
6. What additional measures could USAID implement to prevent and detect commodity theft, collusion, false claims, and other known risks to USAID-funded supply chains in its development programs, given a compromised ability to identify and report misconduct? How can USAID avoid procuring subquality commodities and product substitution to ensure its beneficiaries receive high-quality commodities that meet U.S. Government standards? When procuring commodities and services through GHSC-PSM and other sources, how will USAID verify and document that implementers, suppliers, and vendors are adhering to market rates and competing for the best value for the U.S. Government?
  7. How can USAID leverage its democracy, human rights, and governance programs to help combat corruption amid the COVID-19 response? Are staff aware of and do they have access to the Agency's related expertise and resources?

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## Maximizing Stakeholder Coordination for a Global COVID-19 Response

The global reach of the COVID-19 pandemic, with lives at stake and resources limited both at home and abroad, requires unprecedented coordination between a broad range of stakeholders worldwide. In addition to coordination with internal and external U.S. Government entities, USAID is also collaborating with governments, public international organizations (PIOs), nongovernmental organizations (NGOs), the private sector, and other actors working on the ground to support the COVID-19 response.<sup>21</sup> As a lead implementer of the U.S. Government's Global Health Security Strategy, USAID is well positioned to advance Governmentwide objectives for the international COVID-19 response.

The U.S. Government response to the Ebola outbreak in West Africa demonstrated the importance of effective and efficient coordination for a public health emergency of international concern. Divergent approaches between USAID and CDC for combatting the disease and lack of a strategy to govern how the Agency works with external actors caused delays and complications.<sup>22</sup> In response to our recommendations, USAID developed a policy framework, contributed input to the National Security Council pandemic playbook, and took other actions to improve preparedness for the next global health crisis. Some recommendations remain open, in particular the recommendation for USAID to work with other U.S. Government agencies to clearly identify roles,

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<sup>21</sup> PIOs include U.N. organizations like the World Health Organization and the World Food Programme, as well as international finance institutions like the World Bank Group.

<sup>22</sup> USAID OIG, "[Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Policy Framework](#)" (9-000-18-001-P), January 24, 2018.

capabilities, and responsibilities in an international public health emergency.<sup>23</sup> HHS OIG made a similar recommendation for HHS to work with other U.S. Government agencies to develop a framework defining each agency's roles and responsibilities for responding to a multiagency international public health emergency.<sup>24</sup> Yet, these two recommendations remain outstanding in part due to ongoing difficulties in coordinating a joint operational policy with CDC. A new action plan (the SAFER package) summarizes the U.S. Government's international response to COVID-19.<sup>25</sup> However, it may still leave gaps in coordination, as the package does not replace or substitute agency-specific strategies that USAID, State Department, CDC, and other entities work concurrently to implement.

The Ebola outbreak in West Africa also revealed how disease outbreaks can be difficult to predict and can quickly spread across national borders and continental boundaries, particularly when the capacity of local health authorities to detect and respond effectively to biological threats is limited.<sup>26</sup> A critical component of the international COVID-19 response is to help affected and at-risk countries address gaps in laboratory diagnostics, surveillance and rapid response, border security, and other areas. Whereas the Ebola outbreak in West Africa was largely geographically contained, USAID and its partners face a global marketplace for critical goods and services to fight COVID-19. Effective coordination will be essential to ensure that like-minded donors do not become unnecessary competitors, drive up market prices, or duplicate efforts. Sharing the burden with stakeholders, including with partner countries that receive foreign assistance and donors that make no-strings-attached contributions, is a unified U.S. Government priority dependent on effective coordination.

Clear, consistent, and timely guidance is essential for harmonizing the complementary yet distinct missions of U.S. Government agencies and furthering shared national security objectives. Navigating the interagency sphere—particularly when decisions extend beyond USAID's immediate control and authority—has been a top management challenge for USAID and one that has materialized at points in the COVID-19 response. For example, as USAID works to support the domestic response by transferring stockpiles of personal protective equipment (PPE) to the Federal Emergency Management Agency and restricting further PPE procurement, the Agency must find

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<sup>23</sup> USAID OIG, "[USAID's Response to the Ebola Virus Disease Outbreak in the Democratic Republic of the Congo](#)," Advisory Notice, September 4, 2019.

<sup>24</sup> HHS OIG, "HHS Did Not Always Efficiently Plan and Coordinate Its International Ebola Response Efforts" (A-04-16-03567), August 12, 2019.

<sup>25</sup> State Department, "U.S. Government Action Plan to Support the International Response to COVID-19," Fact Sheet, April 16, 2020. The SAFER package outlines plans to Scale up community approaches; Address critical needs of healthcare; Find, investigate, and respond to COVID-19 cases; Employ strategies to address second-order impacts; and Ready plans for deployment of therapeutics and vaccines, diagnostics, and devices.

<sup>26</sup> OIGs for USAID and Departments of Defense, State, and Health and Human Services, "[Lead Inspector General Quarterly Report on U.S. Government Activities: International Ebola Response and Preparedness](#)," June 30, 2015.

alternative ways to support its overseas COVID-19 response and normal global health programs for HIV/AIDS, tuberculosis, malaria, and other diseases that the U.S. Government also prioritizes. Similarly, USAID is supporting the “whole-of-America” communications strategy to help counter disinformation campaigns and emphasize the United States’ leading role fighting the virus worldwide. Flexibility with standard branding and marking policies and procedures will be needed to implement the Governmentwide strategy.<sup>27</sup> According to USAID, official guidance on these issues was still working through the interagency clearance process by the end of April. Careful coordination will also be required if USAID encounters countries that may need critical help controlling the virus but face Governmentwide restrictions on foreign assistance, due to placement on the State Department’s Trafficking in Persons watchlist or the Treasury Department’s sanctions programs, for example.

As it did with the COVID-19 response, USAID turns to PIOs to ramp up an emergency response more quickly than can be done with other kinds of implementers. PIOs also have extensive networks and access to areas in dire need of humanitarian assistance that are typically off-limits to most Americans. These benefits, however, are not without risk or cost to the U.S. Government. We and other oversight organizations have questioned the U.S. Government’s ability to ensure that funds provided to PIOs are used effectively, efficiently, and with appropriate controls.<sup>28</sup> While USAID has taken notable steps to implement our recommendations to strengthen PIO oversight, including establishing improved policies for risk management and fraud reporting, this pandemic may offer USAID the opportunity to further refine its relationship with PIOs to ensure the best use of taxpayer funds. The temporary hold on all U.S. Government funding to WHO—one of USAID’s partners in the COVID-19 emergency response, other ongoing complex emergencies, and global health programs—underscores the importance of being ready to pivot from traditional partners for new circumstances and opportunities.<sup>29</sup>

The private sector is another critical partner in the global fight against the virus. In line with its COVID-19 strategy, USAID is engaging with the private sector to bridge gaps in the response and stimulate the economy. To diversify and expand its partner base, USAID announced solicitations for the New Partnerships Initiative in April 2020 to attract new and underutilized partners to help respond to the pandemic. In May 2020,

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<sup>27</sup> The Automated Directives System, chapter 320, “Branding and Marking,” February 5, 2020 revision, lays out USAID’s procedures for identifying foreign assistance as American aid, which is required by Section 641 of the Foreign Assistance Act of 1961 as amended and annual appropriations acts.

<sup>28</sup> USAID OIG, “[Insufficient Oversight of Public International Organizations Puts U.S. Foreign Assistance Programs at Risk](#)” (8-000-18-003-P), September 25, 2018; Congressional Research Service, “United Nations Issues: U.S. Funding to the U.N. System” (IF10354), March 10, 2020; U.S. Government Accountability Office (GAO), “U.S. Agencies Conduct Financial Oversight Activities for Humanitarian Assistance but Should Strengthen Monitoring” (GAO-18-58), October 31, 2017; U.S. Government Publishing Office, “Oversight of Multilateral and Bilateral International Development Programs and Policies” Hearing Before the Subcommittee on Multilateral International Development, Multilateral, and International Economic, Energy, and Environmental Policy, May 6, 2015.

<sup>29</sup> The White House, “President Donald J. Trump is Demanding Accountability From the World Health Organization” April 15, 2020.

USAID announced it would move forward to finance the local production of medical grade PPE and non-medical-grade PPE products, like face shields and gloves. USAID's Grand Challenges for Development may be another private sector opportunity to seed new technology and scale up what works. USAID used this approach for both the Ebola outbreak in West Africa and the Zika outbreak in the Western Hemisphere, and we learned that improved timelines and indicators for measuring impact could help maximize USAID's investments.<sup>30</sup> Moreover, as USAID engagement with local organizations for the COVID-19 response grows, USAID will need to identify and mitigate internal control and fiduciary risks that are often associated with these entities.<sup>31</sup> USAID is also coordinating with the U.S. Government's International Development Finance Corporation (DFC), which can provide private sector solutions to ramp up healthcare and other services but may need to pay particular attention to strengthening interagency coordination based on past challenges.<sup>32</sup>

To strengthen stakeholder coordination, we pose the following questions drawn from past lessons learned to inform USAID's COVID-19 response:

1. How can USAID enhance its interagency engagement with the White House Coronavirus Task Force and other entities to ensure that its efforts are effectively coordinated, and that it has the clear, consistent, and timely top-line guidance it needs to effectively respond to COVID-19 and continue ongoing development and humanitarian assistance programs?
2. To what extent has USAID aligned its response and recovery strategies with those of the larger U.S. Government and other Federal agencies? To what extent does the Agency have processes for ensuring that its programs and activities align with these strategies and that its roles and responsibilities in the response and recovery efforts are clearly defined?
3. Are there additional best practices from sources like the National Security Council playbook and the Global Health Security Strategy that USAID could apply to its own response, particularly to improve coordination internally and with external actors?
4. How is USAID coordinating with local governments and other donors to advance shared priorities, address preparedness and response gaps, and avoid duplication of efforts? Is USAID prepared to navigate the global marketplace with other donors for goods and services that are in high demand? How is USAID tracking burden sharing, and how will USAID respond if its approach conflicts with that of other donors?

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<sup>30</sup> USAID OIG, "[USAID's Zika Response Efforts in the Western Hemisphere](#)," Memorandum, May 24, 2018.

<sup>31</sup> USAID OIG, "[Despite Optimism About Engaging Local Organizations, USAID Had Challenges Determining Impact and Mitigating Risks](#)" (5-000-19-001-P), March 21, 2019.

<sup>32</sup> USAID OIG, "[Letter To International Development Finance Corporation CEO Adam Boehler Regarding Key Considerations on the Transition and Standup of the USDFC](#)," October 9, 2019.

5. How effective is USAID's communication strategy in showcasing American aid and countering the spread of disinformation by malign actors? Should revised branding and marking guidance be enacted, and how will USAID work with suppliers, implementers, and staff to ensure timely and consistent adjustments and appropriate documentation for any deviations from standard practice?
6. What guidance has USAID received about providing COVID-19 foreign assistance to countries and populations facing U.S. Government restrictions, such as those related to Trafficking in Persons and economic sanctions? Should USAID be permitted to engage with these affected countries and populations, does the Agency have necessary waivers in place to enable timely delivery of COVID-19-related foreign assistance? Have related policies and procedures been effectively communicated to staff, implementers, and other stakeholders?
7. Has USAID evaluated the costs and benefits of partnering with PIOs and explored feasible alternatives with other types of implementers and approaches? How does USAID assess if foreign assistance provided through new implementers is more or less effective than existing implementers? What support should USAID provide to new implementers to ensure compliance with appropriate laws, rules, and reporting requirements?
8. How can USAID bolster private sector relationships to augment the global COVID-19 response and fill gaps that USAID, its implementers, and other stakeholders may be facing? What steps should USAID implement to identify and mitigate risks of working with local organizations for the COVID-19 response? What are USAID's roles and responsibilities for ensuring appropriate quality control and manufacturing practices for locally produced PPE and medical supplies?
9. How can USAID work with DFC to advance mutual missions? Are there new opportunities to coordinate that would help both USAID and DFC maximize the impacts of their unique responses to COVID-19?
10. What lessons can USAID learn from prior Grand Challenges for Development to advance innovative ideas and solutions suitable for COVID-19 preparedness and response in low-resource settings? How can USAID measure and assess the impact of innovations? What steps can the Agency take to improve its readiness to scale up successful innovations to maximize investments?

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## **Addressing Vulnerabilities and Implementing Needed Controls in Agency Core Management Functions**

USAID's ability to carry out its mission and safeguard Federal funds depends on the integrity and reliability of its core business practices and systems. Our audits and investigations show that the Agency recognizes the importance of sound controls but faces a variety of challenges implementing them. USAID now faces a new wave of

challenges from COVID-19, as the Agency altered—essentially overnight—how it does business to protect staff, continue operations, and address the global threat of the pandemic. In its response, USAID must strive to achieve an appropriate balance of both timeliness and sufficiency of controls.

New procurement flexibilities, for example, temporarily waive requirements for competition, source, and nationality of goods and services, and expand procurement and purchasing capabilities of non-U.S. direct-hire personnel.<sup>33</sup> Federal guidance provides additional temporary relief for administrative, financial management, and audit requirements.<sup>34</sup> These measures, which enable USAID to act swiftly and offset risks its implementers may face, require a different approach to fiscal prudence. Notably, under normal circumstances, we found that USAID’s award process lacked the rigor needed to ensure results were achieved because contracting and agreement officers and their representatives did not adhere to documented processes, and because record-keeping practices Agency-wide were poor.<sup>35</sup> USAID reported to us that, by late April 2020, only 7 percent of its U.S. direct-hire staff and TCN PSCs were working from their regular operating location, while 47 percent were teleworking from post and 36 percent had left the country. This shifted and constrained management structure may compound weaknesses in USAID oversight that could lead to waste by well-meaning staff, or fraud by bad actors who seek to exploit the situation for personal gain.

As USAID is called upon to move substantial sums of money for the COVID-19 response, the Agency has established processes for approving funding decisions and has provided some guidance to staff, including for reprogramming and redirecting existing awards. In addition, to streamline the overall planning burden for new COVID-19 activities, the Agency waived its standard requirement for new activities to be approved with a Project Appraisal Document, noting that all pre-obligation requirements must still be documented. The Agency will need to ensure that written guidance and staff capacity are sufficient to implement the processes consistently across bureaus, missions, and independent offices; through multiple layers of review; and within the timeframes established for an effective and controlled response. Our audit work has found this area to be challenging for USAID in some instances, and it may be exacerbated by the

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<sup>33</sup> The USAID Administrator communicated these authorities through “Expedited Procedures Package (EPP) for Responding to Outbreaks of Contagious Infectious Disease,” approved March 24, 2020, and “Reinforcing the Capabilities of Our Foreign Service Nationals During the COVID-19 Pandemic,” Executive Message sent April 10, 2020, which included Foreign Service Nationals and Cooperating Country/Third-Country National Personal Service Contractors (CCN/TCN PSCs).

<sup>34</sup> Office of Management and Budget, “Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) Due to Loss of Operations” (M-20-17), March 19, 2020.

<sup>35</sup> USAID OIG, “[USAID’s Award Oversight Is Insufficient To Hold Implementers Accountable for Achieving Results](#)” (9-000-19-006-P), September 25, 2019.

complexities of the new pandemic.<sup>36</sup> Notably, during the Ebola response in West Africa USAID lacked written policies or procedures for staff to follow in making and documenting certain funding decisions, and GAO determined that USAID's process could not provide reasonable assurance that it complied with certain provisions of applicable appropriations laws.<sup>37</sup>

Amid the pandemic USAID is continuing its longstanding structural transformation, initiated in response to directives from the White House and the Office of Management and Budget.<sup>38</sup> USAID's redesign efforts, which we found had shifted over time, are progressing in spite of new challenges presented by COVID-19.<sup>39</sup> USAID legally established three new Bureaus for Resilience and Food Security, Humanitarian Assistance, and Conflict Prevention and Stabilization on February 11, 2020, less than 2 weeks after the declaration of a public health emergency of international concern. On April 21, 2020, about 6 weeks after recognition of a pandemic, the Agency legalized the new Bureau for Asia, which merged the former Office of Afghanistan and Pakistan Affairs with other Asia programs. Meanwhile, USAID is working to increase the size of its workforce and reach authorized staffing levels through accelerated recruitment, hiring, and onboarding. While these actions demonstrate USAID's ability to make big changes even under challenging circumstances, USAID must consider how to mitigate the impact of large-scale structural and management changes on its workforce, reporting relationships, and decision-making processes, particularly as these new bureaus are tied to USAID's humanitarian response and the region where the pandemic originated.

The COVID-19 pandemic also tests USAID's ability to manage its information technology (IT) systems and security. Maximizing telework for its global workforce limits workplace exposure to the virus but increases risks of security breaches and data loss. USAID has been proactive in expanding telework readiness and disseminating information to staff through email.<sup>40</sup> Yet, risks remain as staff access official systems and

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<sup>36</sup> USAID OIG, "[Award Oversight Is Insufficient To Hold Implementers Accountable for Achieving Results](#)" (9-000-19-006-P), September 25, 2019; USAID OIG, "[USAID Zika Response Efforts in the Western Hemisphere](#)," Special Report, May 24, 2018; USAID OIG, "[Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Policy Framework](#)" (9-000-18-001-P), January 24, 2018; and USAID OIG, "[Ebola Experience Highlights Opportunities To Strengthen USAID's Award Process and Reprogram Funds](#)" (9-000-17-001-P), December 27, 2016.

<sup>37</sup> GAO, "Emergency Funding for Ebola Response: Some USAID Reimbursements Did Not Comply With Legislative Requirements and Need To Be Reversed" (GAO-17-35), November 2, 2016.

<sup>38</sup> Executive Order 13781 (March 13, 2017) and OMB Memorandum M-17-22 (April 12, 2017) both related to carrying out the President's vision to improve the effectiveness, efficiency, and accountability of the Federal Government.

<sup>39</sup> USAID OIG, "[USAID's Redesign Efforts Have Shifted Over Time](#)" (9-000-18-003-P), March 8, 2018. We also prepared an advisory notice to inform USAID's approach to its redesign: "[Key Considerations for Developing USAID's Comprehensive Plan on Reforming and Reducing the Federal Workforce](#)." Advisory Notice, June 21, 2017.

<sup>40</sup> Including "Cyber Awareness Notice: Home Network Security: What Is It and Why Does It Matter?" April 15, 2020; "Records Management Responsibilities During COVID-19 Event," April 3, 2020; and "Information Protection Reminders While Teleworking," March 25, 2020.

information remotely and with personally owned devices, and USAID has yet to strengthen certain IT controls or the authority of its chief information officer.<sup>41</sup> And, while USAID has reminded staff about policies against using nonofficial electronic systems like WhatsApp, personal emails and texts, and videoconferencing systems like Zoom, to conduct official business, staff may be more prone to use them in the at-home COVID-19 environment. Furthermore, USAID may need to consider additional precautions to ensure classified information is appropriately safeguarded under the new environment, where staff access to classified information systems is altered due to the temporary closure of USAID's physical office space.<sup>42</sup>

Managing data from initial collection to final reporting has been an ongoing top management challenge for USAID and one that may be exacerbated in the COVID-19 response. For example, our work on USAID's Ebola response in West Africa found that the lack of an Agency-wide system for capturing and sharing data obstructed communication and coordination, with USAID's missions, bureaus, and independent offices using unique systems to fit their own needs.<sup>43</sup> USAID pointed to its nascent Development Information Solution as the fix to consolidate these disparate systems, but implementation of the new centralized system has been delayed and only partially rolled out on a pilot basis, and the Agency is still without a complete, centralized portfolio management system for tracking its response.

Accordingly, we pose the following questions drawn from past lessons learned to strengthen the Agency's core management functions in USAID's COVID-19 response:

1. Has USAID taken appropriate measures to manage the shift in the management structure of its field operations and composition of staff on the ground with clear roles, responsibilities, and chains of authority? How has USAID ensured employees with temporarily expanded procurement and purchasing capabilities have the requisite training, bandwidth, and supervision to carry out their new responsibilities?
2. As USAID's contracting and agreement officers and their representatives handle case-by-case requests from implementers for no-cost extensions and pre-approval of COVID-19-related costs, has USAID provided sufficient, documented guidance to ensure uniformity in decision making? How will USAID monitor and enforce compliance, particularly given reported staffing constraints in key positions? Has USAID provided clear requirements for documenting approvals and their justifications?

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<sup>41</sup> USAID OIG, "[USAID Generally Implemented an Effective Information Security Program for Fiscal Year 2019 in Support of FISMA](#)" (A-000-20-005-C), February 7, 2020; USAID OIG, "[USAID Has Gaps in Conforming With the Federal Information Technology Acquisition Reform Act](#)" (A-000-19-004-C), November 9, 2018.

<sup>42</sup> USAID OIG, "[USAID's Implementation of Executive Order 13526, Classified National Security Information, Needs Significant Improvement](#)" (9-000-16-001-P), September 30, 2016.

<sup>43</sup> USAID OIG, "[Lessons From USAID's Ebola Response Highlight the Need for a Public Health Emergency Policy Framework](#)" (9-000-18-001-P), January 24, 2018.

3. What controls has USAID implemented to ensure that eased procurement requirements like the Expedited Procedures Package are not used to extend poorly performing programs, partner with unqualified new recipients, or circumvent competition, source, and nationality requirements for ineligible programs, goods, and services? Has USAID documented and communicated requirements to employees and implementers for maintaining documented records of COVID-19-related exceptions, like pre-approvals and delayed reporting timelines, and established plans for monitoring and enforcing compliance?
4. What steps can USAID take to ensure that written guidance and staff capacity are sufficient to implement processes for making programming and funding decisions, including reprogramming and redirecting existing awards and approving new activities, consistently across bureaus, missions, and independent offices; through multiple layers of review; and within the timeframes established for an effective response? How will USAID ensure the provisions of all applicable laws and requirements are met?
5. What measures does USAID have in place to ensure staff follow procedures limiting the use of nonofficial electronic systems to conduct official business? How does USAID monitor compliance with requirements to copy or forward all record content to an official USAID electronic messaging account within 20 days in accordance with the Federal Records Act, or obtain a waiver from the Office of the Chief Information Officer for exceptions?
6. How will USAID keep its data secure and implement effective controls for accessing its primary external Agency systems, particularly from personally owned devices? Is USAID positioned to recover data from a catastrophic loss given that the Agency has not fully defined its process, strategy, and technologies for information system backups and storage?<sup>44</sup> What additional steps has USAID taken to safeguard classified information in the COVID-19 context?
7. Although USAID's information systems may be functioning, has the Agency developed processes for critical non-IT-related functions, such as clearing and obtaining badges and network access for its COVID-19 direct-hire staff and contractors, and have those processes been documented in the Agency's contingency plan?
8. Has USAID implemented controls to standardize how its missions, bureaus, and independent offices will measure, collect, and report on their COVID-19 activities in the Development Information Solution or other data collection systems? How will USAID ensure the integrity of data manually keyed into these systems?

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<sup>44</sup> USAID Federal Information Security Modernization Act of 2014 (FISMA) Metrics, #65.

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## Concluding Observations

As the U.S. Government's lead international development agency and a world leader in providing humanitarian assistance, USAID has the experience and expertise to drive an effective COVID-19 response while protecting the health and safety of its staff worldwide. In doing so, USAID must take necessary steps to ensure that the funding entrusted to it by Congress and the American taxpayer is used effectively, efficiently, and with appropriate oversight—while balancing the need to implement a timely and agile response to the pandemic across the globe. This advisory notice serves to inform USAID of key questions drawn from past lessons learned as it continues to define and execute its response to the COVID-19 pandemic.

USAID OIG will monitor USAID's COVID-19 response as it unfolds and tailor our [oversight approach](#) based on risks, emerging issues, and stakeholder interests. We will also continue to fulfill the audit, investigative, and other oversight activities outlined in our [annual oversight plan](#) to safeguard and strengthen U.S. foreign assistance.

We appreciate your ongoing commitment to cooperation with our office. Please continue to encourage staff to report fraud, waste, and abuse through our [OIG Hotline](#), which remains fully staffed through the pandemic.

If you have any questions or comments about this advisory, you may reach me or Deputy Inspector General, Thomas J. Ullom, at 202-712-1150.

CC: Bonnie Glick, USAID Deputy Administrator  
William Steiger, USAID Chief of Staff  
Chris Milligan, Counselor to the Agency  
Ken Staley, USAID COVID-19 Task Force Executive Director

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## Attachment: Agency Comments



May 20, 2020

The Honorable Ann Calvaresi Barr  
Inspector General  
Office of Inspector General  
United States Agency for International Development  
1300 Pennsylvania Avenue, N.W.  
Washington, D.C. 20523

Dear Madam Inspector General:

The U.S. Agency for International Development (USAID) appreciates the Advisory Notice on *Key Questions to Inform USAID's COVID-19 Response* issued by the USAID Office of Inspector General (OIG) on May 13, 2020.

USAID maintains staff and operations in more than 80 countries around the world; the pandemic of COVID-19 is affecting them all. The Agency agrees with the OIG on the importance of safeguarding taxpayer dollars to maximize the impact of foreign assistance, and remains committed to protecting the health and safety of our staff, while continuing appropriate oversight of our programs to ensure the accountable and effective use of U.S. taxpayer funds.

The enclosed Management Comments outline many of the Agency's considerations in planning and executing our response to the COVID-19 pandemic and describe the actions we have taken to date. USAID has issued guidance on innovative monitoring strategies; established a webpage and resource center on COVID-19 for implementing partners; and made additional tools and authorities available to our Missions that expand the telework, procurement, and supervisory capabilities of our Foreign Service National (FSN) workforce.

The Agency's effort to manage risks, maintain our monitoring responsibilities, maximize coordination with stakeholders, and implement controls in core Agency functions is ongoing during our response to COVID-19. USAID welcomes the OIG's *Key Questions*, which provide a valuable opportunity to assess and improve upon our policies, procedures, and programs. Thank you again for the opportunity to respond to your Advisory Notice.

Sincerely,  
/s/  
John Barsa  
Acting Administrator

Attachment

**COMMENTS BY THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT  
ON THE ADVISORY NOTICE ISSUED BY THE  
USAID OFFICE OF INSPECTOR GENERAL TITLED,  
*KEY QUESTIONS TO INFORM USAID'S COVID-19 RESPONSE***

Please find below the Management Comments from the U.S. Agency for International Development (USAID) on the Advisory Notice issued by the USAID Office of Inspector General (OIG) titled, *Key Questions to Inform USAID's COVID-19 Response*:

**Managing Risks to Humanitarian Assistance Amid a Public Health Emergency of International Concern (PHEIC)**

USAID recognizes that the pandemic of COVID-19 adds new challenges to our ability to plan, implement, and monitor humanitarian-assistance activities during a PHEIC. Given these challenges, the Offices of U.S. Foreign Disaster Assistance (OFDA) and Food for Peace (FFP) in our Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA) have stood up a COVID-19 Response Management Team (RMT) to work closely with our Agency-wide COVID-19 Task Force.

The RMT is assessing implementers' proposed beneficiary plans, including for the procurement and distribution of commodities. For high-threat operating environments, the Agency requires implementers to submit risk-mitigation plans, which specifically examine their internal-control systems. Using a post-award vetting approach consistent with the [Agency's Standard Operating Procedures for Vetting in Syria](#), DCHA and its successor Bureau for Humanitarian Assistance (BHA) plan to vet implementing partners in Northeast and Northwest Syria that will receive funds from the International Disaster Assistance (IDA) account appropriated from the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020 (COVID-19 Supplemental). In addition, USAID will initiate pre-award vetting of implementing partners who receive COVID-19 supplemental IDA funds in the West Bank and Lebanon.

USAID takes preventing and detecting fraud and other misconduct very seriously. Both DCHA/FFP and DCHA/OFDA require all applications from potential implementers to integrate fraud-prevention measures, and the recently released [Guidance for Applicants Engaging in the COVID-19 Response](#) contains additional guidance on risk-management for organizations that are submitting proposals. Both Offices offer training and guidance for our staff and have coordinated with the OIG to provide training to our implementers to ensure they report and follow up on all instances of fraud and other programmatic irregularities promptly.

While many of the available data sources have helped measure vulnerability to COVID-19 and the epidemiologic situation at a national level, a scarcity of sub-national level data remains, especially on humanitarian locations and conditions. The COVID-19 RMT developed an external/contextual data-analysis framework that maps the potential chain of events of a COVID-19 health emergency (when community transmission causes a cascading collapse of health care) as well as how shocks from the pandemic causes a

broader humanitarian emergency and secondary effects (increased food-insecurity, livelihoods erosion, displacement, *etc.*). The COVID-19 RMT has identified multiple external data sources and indexes, such as the [Index for Risk-Management](#) (INFORM)<sup>45</sup>, the [Global Health Security Index](#) (GHSI), the [Global Severity Crisis Index](#) (GSCI), the [Food and Agricultural Organization](#) (FAO) of the United Nations, the [Famine Early-Warning System Network](#) (FEWSNET)<sup>46</sup>, the [International Organization for Migration](#) (IOM), the [World Bank](#), and others. DCHA has matched these data sources to key points on the contextual data-analysis framework that could inform the RMT which countries could be more vulnerable to COVID-19 and the different health and humanitarian consequences they could face as a result of the pandemic. Additionally the RMT has been using modeling analysis from Lincoln Laboratories at the Massachusetts Institute of Technology, funded by DCHA/OFDA, to look at specific country-level vulnerability and assist with our global COVID-19 planning.

USAID is committed to providing as much information as possible to our partners during these uncertain times. The Agency maintains regular communication with our implementing partners at the field and headquarters levels to enable timely and efficient funding decisions. USAID is working with our partners to ensure maximum programmatic flexibility in the face of restrictions related to COVID-19 across the entire humanitarian portfolio, including emergency food assistance. Programs are adapting by adjusting distribution methods to limit the risk of transmission, pre-positioning commodities in countries to mitigate the impact of closed borders, and using technology such as electronic transfers.

USAID is leveraging strengths, best practices, and lessons learned from previous responses to contribute to a more effective strategy against COVID-19. Using previous internal evaluations and audits of responses, including the OIG's audits of USAID's response to the Ebola crisis in West Africa, DCHA/OFDA developed policies, guidance, and tools on monitoring, evaluation, accountability, and learning (MEAL) and assessment and analysis that guide humanitarian responses on the use of data analytics for prioritization and evidenced-based programming. In addition, DCHA/OFDA developed two new positions, the Monitoring and Evaluation Specialist and Data, Assessment, and Analytics Specialist, both activated on the COVID-19 RMT, to assist with the implementation of policies, tools, and guidance.

### **Maintaining Responsibilities for Planning, Monitoring, and Sustaining U.S.-Funded Development**

USAID's Pillar and Regional Bureaus have mobilized to synthesize, develop, and disseminate the best available evidence and promising practices to respond to the impact

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<sup>45</sup> A collaboration of the Inter-Agency Standing Committee Reference Group on Risk, Early Warning, and Preparedness and the European Commission,

<sup>46</sup> Funded by USAID.

of COVID-19 across the sectors in which we work. In addition, Bureaus are engaging actively with USAID’s field staff and partners to provide these guidance documents to field teams. This includes holding webinars, conference calls, and virtual training to build the capacity of staff and partners to respond to new challenges and opportunities during this crisis. With the assistance of USAID’s COVID-19 Task Force, our Pillar and Regional Bureaus have developed guidance and metrics specifically for the response to COVID-19 that our Operating Units (OUs) and implementing partners will use to gauge the performance of the programs we fund and enable better adaptive management.

The vast sums of resources required to respond to the COVID-19 pandemic, combined with chaotic situations, are creating unprecedented opportunities for corrupt actors. In its response, USAID is considering ways to do the following: (1) strengthen public financial-management systems to oversee the planning, budgeting, and use of COVID-19 funds to ensure we are targeting them to reduce the effects of the virus; (2) funds programs aimed at mitigating the risks of corruption in health care; and, (3) enhance the ability to detect, prevent, respond to, and sanction general COVID-19-related corruption. USAID’s Center of Excellence on Democracy, Human Rights, and Governance is providing support to our Missions and partners to implement these strategies effectively across the globe. Some examples include the following:

- USAID’s new anti-corruption and integrity program (the [Transparent Accountable Public Investment](#) [TAPI] activity), is providing technical assistance so the Government of the Republic of Perú can procure its own medical supplies in response to the COVID-19 crisis and develop regulations needed to purchase goods and services transparently during future emergencies.
- USAID’s [National Accountability Program](#) in the Republic of Indonesia, [CEGAH](#) (which means “prevent” in Bahasa Indonesia), will upgrade and enhance the system for national complaints, [LAPOR!](#) (*Layanan Aspirasi dan Pengaduan Online Rakyat*) to support an effective response to COVID-19. The program will also expand its procurement-transparency work to cover COVID-19-related purchases, and will conduct rapid assessments for the risk of corruption for the Inspector General of the Ministry of Health, and provide online training for its staff on *Procurement Preparedness for Emergency and Disaster Response*.

To respond to on-the-ground conditions and needs, USAID uses a criteria-based, bottom-up approach that prioritizes programs for funding in line with the [Strategy for Supplemental Funding to Prevent, Prepare for and Respond to Coronavirus Abroad](#). USAID’s Missions recommend proposals for supplemental funding that respond to local needs and fill gaps related to health, social, economic, and governance-related impacts. At a global level, USAID uses tools and data sources to monitor on-the-ground conditions, including FEWSNET to monitor acute food-insecurity; data from the [Global Monitoring of School Closures](#) of the Institute for Statistics of the United Nations Educational, Scientific, and Cultural Organization (UNESCO) to track school closures during COVID-19; and the [COVID-19 Disorder Tracker](#) of the Armed Conflict Location

and Event Data Project (ACLED) to monitor the impact of the pandemic on political violence.

Even during the current crisis, we must continue to monitor and evaluate our programs, and we have tasked our Agreement and Contracting Officers' Representatives (AORs/CORs) to work with our implementing partners to find innovative, effective, and safe ways to do so. The Agency released [guidance](#) on April 10, 2020, with considerations and resources, including information on remote monitoring and existing Agency mechanisms through which OUs can procure supplemental monitoring capacity.

Lessons learned from the response to the outbreak of Ebola in West Africa in 2014 suggest that platforms that are already in place, in use, and trusted by local stakeholders are more effective for collecting data. The Acting Administrator and the Agency's COVID-10 Task Force has encouraged our OUs to pursue innovative monitoring approaches, including conducting remote monitoring through cell phones, leveraging big data, accessing data from institutional-monitoring systems, and using satellite data and geospatial information. OUs can deploy these approaches individually, or in combination, to supplement existing monitoring. Before using any new tools or data-collection methodology, OUs first must consider what tools or de-identified data are already in use and can be repurposed. OUs will consider appropriate data-privacy and data-security protections and protocols when making the transition to remote monitoring.

The Global Development Lab (LAB), with support from the Bureau for Policy, Planning, and Learning (PPL), released a [guidebook](#) on remote monitoring for USAID and its partners. The teams also established a resource page for partners to share best practices and lessons learned on monitoring during COVID-19 on the website of the USAID's Learning Lab.

USAID's CORs/AORs are working with our implementing partners to document updated approaches in each agreement's plans for monitoring, evaluation, and learning (MEL), and will upload these amended plans into the Agency Secure Image and Storage Tracking System (ASIST).

Finally, PPL issued [guidelines](#) for reflecting COVID-19 in our five-year, country-specific *Regional and Country Development Cooperation Strategies* (R/CDCSs). The Agency is updating all these strategies by December 2020 to incorporate the principles of the Journey to Self-Reliance. Many R/CDCSs will now also incorporate COVID-19 by considering either a new operating environment or the medium- and long-term effects the pandemic will have in-country.

### **Maximizing Coordination with Stakeholders in the Global Response to COVID-19**

USAID's COVID-19 Task Force engages regularly with the U.S. Government interagency to ensure our response activities are coordinated, strategic, and non-duplicative. This includes standing and *ad-hoc* meetings with the U.S. Department of Defense (DoD) and USAID's DoD liaisons; USAID's embedded experts at the U.S.

Missions to the United Nations (USUN) Geneva, New York, and Rome, and the U.S. Mission to the European Union in Brussels; the Coronavirus Global Response Coordination Unit (CGRCU) at the U.S. Department of State (State); the U.S. Department of Health and Human Services (HHS), including the Centers for Disease Control and Prevention (CDC); and the Foreign Agricultural Service within the U.S. Department of Agriculture (USDA). The Agency is in regular contact with the White House Coronavirus Task Force for overall policy guidance and prioritization for foreign assistance, and participates in National Security Council meetings that focus on White House priorities in the pandemic response. USAID contributes to interagency cables to All Diplomatic and Consular (ALDAC) posts that describe the unified U.S. Government (USG) framework for addressing COVID-19 under the [\*Strategy for Supplemental Funding to Prevent, Prepare for and Respond to Coronavirus Abroad\*](#).

As part of USAID's responses to mitigate the second-order economic impact of the pandemic, we are collaborating closely with the U.S. International Development Finance Corporation (DFC) and other similar institutions to catalyze private-sector investment. The leadership of USAID and the DFC are in regular contact about strategic approaches to COVID-19 response, and we have established bi-weekly meetings of a USAID technical working group with the DFC's Mission Transaction Unit to coordinate responses to requests for technical assistance from our Missions and build a pipeline of potential deals with private-sector partners. USAID is collaborating with the DFC to explore opportunities that support innovators focused on COVID-19, local manufacturers that wish to retool to produce personal protective equipment and other pandemic-related products, companies that are developing diagnostics or therapeutics for COVID-19, and health-care providers. USAID and DFC are also exploring emergency liquidity working-capital facilities for micro, small and medium-sized enterprises (MSMEs).

In addition, USAID is applying best practices in global coordination developed in responding to Ebola and advancing the Global Health Security Agenda. USAID has convened multiple donor roundtables to share information and learn about the priorities of key bilateral donors in response to COVID-19. USAID's Task Force is tracking other donors' commitments by geographic region, including responses to various United Nations appeals and investments in vaccines, diagnostics, and therapeutics.

USAID recognizes that to respond to the global COVID-19 pandemic effectively, while also optimizing the positive impact of our funding and continuing to advance the Journey to Self Reliance (J2SR), we must continue to leverage the approaches and innovations of Effective Partnering and Procurement Reform (EPPR) and the New Partnerships Initiative (NPI). By permitting streamlined, rational, and diverse processes for [acquisition and assistance](#) through the [Expedited Procedures Package](#) (EPP) approved by former Administrator Mark Green, we are saving both time and resources. This will allow us to reinvest in strengthening current partners and forging partnerships with new and underutilized ones, including small businesses; locally-established partners (LEPs); private philanthropy; and for-profit, and faith- and community-based organizations. These partnerships can provide in-country efficiencies in the delivery of assistance and build a crisis-response capacity that will endure beyond USAID's engagement. In doing

so, the Agency will advance our Transformation to reflect innovations adopted by the global assistance and development communities and exercise prudent stewardship of taxpayer dollars.

As a central part of the J2SR, USAID will continue and strengthen private-sector engagement (PSE) during the COVID-19 pandemic. USAID will identify and mitigate risks through the steps outlined in our [Private-Sector Engagement Policy](#) (2018), specifically through dedicated consultation with commercial firms for greater scale, sustainability, and effectiveness of outcomes. USAID is consulting with U.S. and local businesses and non-governmental stakeholders to mitigate and respond to the second-order impacts of COVID-19 across a range of sectors, including governance, the economy, rule of law, education, energy, tourism, agriculture, water, and food security. Together we seek to understand and mitigate the disruptions to economic and financial systems and address both short- and long-term repercussions on self-reliance across a range of economic sectors and supply-chains. Additionally, we are drawing guidance from the ongoing OIG audit, *USAID's Use of Partnerships Through Private-Sector Engagement* (Task No. 55100218).

Finally, we are committed to making sure our beneficiaries know they are receiving assistance because of the generosity of the American people. The Agency's branding and marking follows Chapter 320 of our Automated Directives System (ADS), Part 700.16 of Title 2 of the Code of Federal Regulations, as well as the Foreign Assistance Act (as amended). Our Bureau for Legislative and Public Affairs (LPA) is creating a "look and feel" to accompany USAID's branding that will promote the All-of-America response to COVID-19. This "look and feel" visual identity to promote that our assistance related to COVID-19 is "from the American people" does not violate USAID's branding policy, and LPA's Senior Advisor for Brand Management is providing guidance on the matter. Additionally, the Acting Administrator has told OUs they should aim for the maximum level of branding possible, and that waivers will be exceedingly rare and subject to approval. The enforcement of branding is ultimately the responsibility of each Contracting and Agreement Officer (CO/AO), who is cognizant of our leadership's intent. The Agency's COVID-19 Task Force and LPA have reinforced that OUs must follow the guidance in ADS Chapter 320.

### **Addressing Vulnerabilities and Implementing Needed Controls in the Agency's Core Management Functions**

To manage the shift in the management structure of field operations required by the COVID-19 pandemic and continue key overseas operations to the best of our ability, our Bureau for Management (M) and Offices of Human Capital and Talent Management (HCTM) and the General Counsel (GC) made additional tools and authorities available to Missions that expand the telework, procurement, and supervisory capabilities of our Foreign Service National (FSN) workforce. The Office of Acquisition and Assistance within the M Bureau requests for waivers for temporary warrants carefully to maintain the integrity of the warrant program; all holders of temporary warrants have earned a certification at Level One of the Federal Acquisition Certification - Contracting training

offered by the Federal Acquisition Institute, and an after-action review by the supervisory CO is required (which is also true for the permanent warrant program).

USAID's COVID-19 Task Force is working to publish clear and effective guidance on programming and funding processes related to responding to the pandemic. Where existing guidance is insufficient, the Task Force has released supplemental material. The Task Force developed all supplemental guidance in coordination with our Office of Budget and Resource Management (BRM), GC, the M Bureau, and the Office of Foreign Assistance at the Department of State (State/F).

USAID is implementing controls to ensure our OUs do not use the EPP to extend poorly performing programs; sign agreements with unqualified recipients; or circumvent competition, source, and nationality requirements for ineligible programs, goods, and services. Each Activity Planner/COR/AOR is responsible for identifying the specific activities and awards to which the authorities within the EPP may apply. Technical offices must coordinate with the cognizant CO/AO, GC and Resident Legal Officer (RLO) as far in advance as possible to discuss how they intend to use the authorities, applications, and requirements for a specific action in acquisition and assistance. The EPP's authorities do not replace or remove any clearance or approval requirements in ADS Chapter 300, Agency Acquisition and Assistance Planning, such as the Senior Obligation Alignment Review (SOAR).

While our employees are teleworking, USAID is using the full range of our capabilities to educate and enforce that our staff follow procedures to limit the use of non-official electronic systems to conduct official business. This includes official policies, annual training, Agency-wide communications, and reminders, as well as taking enforcement action when the Agency learns that staff are not following the rules. USAID conducts periodic audits of staff who are known to have received approval to forward record content to an official USAID electronic-messaging account, and investigates any cases that could come to the Agency's attention.

During this period of maximum telework, the Agency continues to use our normal operating procedures to keep our data secure, including through controls for accessing our primary Agency systems via two-factor authentication; Virtual Desktop functionality; a suite of information-security tools, including Data-Loss Prevention and log-monitoring; and new initiatives such as implementing a Cloud-Access Security Broker (CASB). USAID has fail-safes in place that allow us to recover data from a catastrophic loss, including approved, tested, Federally compliant cloud systems and our own hybrid cloud enterprise data center. In 2018, USAID completed the migration of our sole data center to a hybrid cloud solution with full disaster-recovery capability. The new USAID Enterprise Data Center/Disaster-Recovery (EDC/DR) solution provides government Infrastructure as a Service (IaaS) as a standardized, highly automated offering, as well as redundancy for the Agency's network and our business-critical systems. USAID also gained the ability to capitalize on more modern technology that has several benefits, including the ability to restore data in several hours versus days or weeks. Safeguarding

classified information falls under ADS Chapters 568 and 552 during normal operations, and in the COVID-19 context.

USAID's COVID-19 Task Force, in coordination with BRM, the M Bureau, and State/F, is working to ensure the standard collection and reporting of data for activities across the Agency related to COVID-19. This includes adaptations to existing data-collection systems (USAID Info, Phoenix, FACTS Info, *etc.*).

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