



Policy Formulation and Approval Processes

A Mandatory Reference for ADS Chapter 200

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INTRODUCTION

The process of formulating policies, strategies, and position papers is critical to the success of the final document and the development and humanitarian outcomes it achieves. Inclusive consultations and stakeholder engagement at each stage are critical to the formulation of rigorous and effective USAID development and humanitarian policy documents as part of the Agency's cohesive approach to international development. The processes outlined in this Mandatory Reference are intended to ensure that policy and strategy (Section 1) and position paper (Section 2) formulation aligns with Agency principles of inclusivity, sustainability, and local leadership, and are evidence-based to achieve the most technically rigorous and effective results to advance the Agency's priorities.

Section 1: Policies and Strategies Formulation Steps

Policies and Strategies Step 0. Policy or Strategy is Authorized Through the Policy Agenda

Before embarking on the process outlined below, lead Bureaus/Independent Offices (B/IOs) for a policy document are strongly encouraged to consult the Bureau for Planning, Learning, and Resource Management, Office of Policy Implementation and Analytics (PLR/PIA). Doing so will help B/IOs determine the right mechanism for advancing the development or humanitarian objective they are seeking and reduce the potential for confusion or challenges at later stages of the process, including through clearance. PLR/PIA can also advise on the process for getting on the Agency Policy Agenda - a key requirement for a USAID policy or strategy.

Policies and Strategies Step 1. Launch a New Policy Formulation Process or Policy Revision Process

a. Establish a Policy Working Group (PWG)

To begin executing a new policy formulation process (or full revision of an existing policy document), which the Policy Advisory Council (PAC) approved as part of the most recent Policy Agenda (see **200.3.2**), the lead B/IO must announce the launch of the policy document formulation process through an Agency Notice. The lead B/IO and PLR must clear this notice. The lead B/IO, with the support of PLR/PIA, must convene a working-level PWG. The PWG should include representatives from the B/IOs substantially affected by the proposed policy; staff with relevant expertise and perspective; representatives from Missions, including Foreign Service Nationals (FSNs) and Cooperating Country Nationals (CCNs); a representative from the Bureau for Management, Office of Management Policy, Budget, and Performance (M/MPBP), and a Point of Contact (POC) appointed by PLR/PIA. It may be beneficial to also convene a leadership-level advisory committee and/or a Mission Advisory Committee. Diversity, equity, inclusion, and accessibility (DEIA) should be considered when forming the PWG and related structures.

The lead B/IO and PLR/PIA should host a PWG meeting to launch the policy development process. It may be beneficial to form a smaller Drafting Team, which will take the lead on writing the document (alternatively, there may be one or two lead drafters) and fill any of the roles of the PWG identified in [ADS 200](#). The PLR/PIA POC is responsible for offering guidance during the process, including on, but not limited to, strengthening coherence with other Agency policies; ensuring consistency and quality standards across policy documents; facilitating review and meaningful use of the evidence base; guiding integration of burden reduction and change management approaches throughout the document; and explaining the processes outlined in [ADS 200](#).

b. Draft and Submit a Terms of Reference (TOR) for PLR/PIA Approval

The TOR provides a logistical overview for the policy drafting, consultation, clearance, publication, and implementation planning process. The PWG and B/IO leadership should clear the TOR, and the Office Director of PLR/PIA must provide final approval. Because the TOR is a living document, the PWG can continue to update it throughout the policy drafting process. The TOR must include, at a minimum, the following sections.

- **Policy/Strategy Purpose, Overview, and Goal(s).** This section provides a short description of the proposed policy document and its goal(s).
- **Lead B/IO.** The TOR should clearly state which B/IO (or an Operating Unit [OU] within the B/IO) is responsible for implementing and monitoring the policy. In the event that two B/IOs are co-leading the process, the roles and responsibilities of each co-lead must be clearly delineated to strengthen coordination and avoid duplication or inefficiency. [ADS 200](#) uses the term “lead B/IO,” recognizing that more than one B/IO (or OU) may co-lead the policy formulation or revision process.
- **Policy Working Group Membership.** This section lists members of the PWG and other relevant groups (e.g., Drafting Team, Mission Advisory Committee), ensuring that all relevant stakeholders are included and reflecting the DEIA objectives.
- **Evidence-Gathering and Consultations.** This section includes an initial plan for gathering and synthesizing evidence and conducting internal and external consultations, with a particular focus on locally-generated knowledge.
- **Diversity, Equity, Inclusion, and Accessibility.** A TOR should outline (1) how the composition of the PWG, Drafting Team, and any advisory group ensures the inclusion of diverse voices (taking into account issues such as race, ethnicity, gender, age, seniority level, and hiring mechanism, among others) and (2) how

the planned consultations and comment periods (both internal and external) will ensure involvement of diverse voices, including local voices.

- **Timeline.** This section specifies benchmarks such as first draft completion, internal and public comment periods, and estimated dates for the clearance process, publication, internal communication efforts (such as webinars), and submission of the implementation plan.
- **Burden Reduction.** This section notes how the PWG will address burden reduction considerations while developing the policy. It should include a description of how the PWG will support minimizing burdens and requirements, while encouraging adaptability to a variety of Mission contexts.

Policies and Strategies Step 2. Analyze Evidence Base

The PWG must thoroughly examine the existing gaps, opportunities, and challenges specific to the policy issue to shape the policy's goal, principles, and approaches. In coordination with PLR/PIA, the PWG should consult with internal and external technical experts and stakeholders, including the interagency, and review key literature and knowledge, including third party contextual analysis and research, project/activity results, evaluations, and field reports to draw on or establish an evidence base. Specific effort must be made to access and integrate local knowledge and expertise. PWGs must also consider DEIA issues to ensure that the policy seeks to anticipate the differential impact it could have on specific populations and articulates the relevant gaps, issues, and inequities that are most pressing for marginalized groups. Evidence on the impact and relevance of cross-cutting issues such as (but not limited to): climate change; conflict, fragility, and social cohesion; local systems and actors; resilience; and gender and inclusive development should be included. In the case of a revision, the review should focus on what has changed since the most recent version of the policy document was published.

The [Foundations for Evidence-Based Policymaking Act of 2018](#) mandates preparing an Agency Evidence Building Plan (known at USAID as the Agency Learning Agenda) and ensures that evidence-gathering activities inform policymaking and implementation. The PWG should coordinate with the Bureau for Planning, Learning, and Resource Management, Office of Learning, Evaluation, and Research (PLR/LER) to identify links to the Agency Learning Agenda and capitalize on existing research, evidence, and data.

A few specific questions for the PWG to consider are:

- What is the current consensus on relevant concepts and terminology in the particular area, sector, or field?
- What are the most important current and emerging conditions, needs, and opportunities related to this issue for which USAID is well-positioned to make a contribution?

- What is the empirical basis for the principles and approaches that could be articulated in this policy document?
- What are effective, evidence-based practices in the particular area, sector, or field? Are there specific practices in the particular area, sector, or field that consistently have been shown to be relatively more or less cost-effective at improving outcomes (where cost-effectiveness evidence is applicable)?
- How is the policy topic area considered or addressed within the interagency?

This evidence-base and how it was used to shape the approach detailed in the policy document must be summarized briefly in the Background section, and can also be detailed in a recommended Annex on the evidence-base.

Policies and Strategies Step 3. Draft Policy and Solicit Input on the Policy Document

a. Draft the Policy Document

Based on the review of evidence, the PWG must prepare a first draft of the new or revised policy document. The PWG should ensure that the policy document is well-written, clear, and concise and complies with the requirements outlined in section [200.3.3.1](#), [200mac](#) and the [USAID Style Guide](#).

The PWG is strongly encouraged to conduct internal consultations with relevant stakeholders in the initial phases of drafting. If field-based staff and FSNs are unable to participate in the PWG or advisory committees, the consultations must provide opportunity for their engagement.

Similarly, the PWG should engage in external consultations for input from relevant stakeholders, including the interagency, without sharing a draft. Presentations specifying key questions or annotated outlines can form the basis for both internal and external consultations. The goal of consultations is to collect diverse views, perspectives, and knowledge, particularly from local stakeholders. Conducting such presentations in other languages is one option to increase opportunities for local engagement.

b. Discuss Policy Implications and Resources

The PWG must discuss the draft policy's resource, staffing, programmatic, ADS, and monitoring, evaluation and learning (MEL) implications, including both explicit and implicit resource requirements, with the relevant offices. New Program Cycle requirements or recommendations included in a policy, strategy, or an implementation plan must be discussed and cleared with the Bureau for Planning, Learning, and Resource Management, Office of Strategic and Program Planning (PLR/SPP) and

PLR/LER; resource implications with the Bureau for Planning, Learning, and Resource Management, Office of Budget and Resource Management (PLR/BRM); staffing implications with the Office of Human Capital and Talent Management (HCTM); and leadership structures with the Bureau for Management (M). The PWG should request input from the Management Operations Council (MOC). It is strongly recommended that at this point the lead B/IO presents the proposed approach and any issues to both the Agency Front Office and the PAC to receive input and feedback at this stage.

Policies and Strategies Step 4. Conduct Internal and External Comment Periods

Internal and external comment periods are a critical part of the policy formulation process to increase diversity and inclusion in the policy formulation process, enhance policy documents' technical rigor and inclusion of cross-cutting issues and diverse perspectives, as well as strengthen the Agency's policy coherence. Comment periods elicit meaningful feedback on the draft policy document, contribute to a stronger final product, and generate support from internal and external stakeholders in advance of the policy's publication. PWGs should consider approaches to increase local engagement in the comment periods including FSNs and local and national stakeholders. PWGs must consider all the comments received during the internal and public comment periods and incorporate the recommendations, as appropriate. Initial draft policy documents should be shorter than the page limit to provide available space to add comments based on relevant comments.

a. Internal Agency-Wide Comment Period

All draft policy documents must be circulated for an Agency-wide internal comment, open to staff of all hiring mechanisms, and announced via Agency Notice, for a recommended ten or more business days, and a minimum of seven business days. During the internal Agency-wide comment period, the PWG is encouraged to do additional targeted outreach (e.g., through internal stakeholder email listservs and newsletters); and ensure that Missions are aware of the comment period through holding an Agency-wide webinar to socialize the draft policy and reaching out to employee interest groups to request feedback. PLR Communications can assist B/IOs with organizing webinars to socialize forthcoming policy documents and serve as a resource for best practices for and planning of these webinars. The FSN Advocacy Council must be informed that the draft policy document is available for comment.

The AA of the lead B/IO (or their designee) should clear the Action Memo (see the required [template](#)) that launches the internal comment period and the PLR/PIA Office Director through the PLR Taskers (plrtaskers@usaid.gov) should approve the memo. The Action Memo must include links to (1) an editable draft policy document with a clearance page, and (2) an editable draft Agency Notice. PLR/PIA determines if additional clearances are required.

The PWG must record the received comments and PWG response, either changes made or rationale for not making changes, and use this input to update the draft for

public comment. This can be done in a spreadsheet (see an optional [template](#)) or by using a form (see an optional [template](#)). The originating B/IO, M, the Privacy Program, the Information and Records Division (or Forms), and the Section 508 team (formsreviewteams@usaid.gov) must approve the form. The Lead B/IO should reach out to the Bureau for Management, Office of Management Services, Information and Records Division (M/MS/IRD) for guidance on record retention of comments received and responses.

At the conclusion of the internal Agency-wide comment period, the originating B/IO must save the received comments and responses; integrate relevant feedback to the greatest extent possible to strengthen the policy; and prepare the revised draft for the public comment period.

b. Public Comment Period

The PWG must hold one public comment period of a minimum of 10 business days, with 15 to 20 business days being the recommended length.

PLR/PIA, in conjunction with the Office of the General Counsel (GC), the Bureau for Legislative Affairs (LPA), M, and PLR Communications, helps the PWG prepare the required webform and manage a process for posting the draft policy document for public comment that (1) does not invoke the Paperwork Reduction Act, (2) minimizes privacy concerns, (3) adheres to the records management requirements, and (4) complies with Section 508 of the Americans with Disabilities Act. The PWG should proactively consult with GC, LPA, M, and PLR/PIA on conducting the public comment period and obtaining the required clearances, including from GC, LPA, M, PLR, and the forms review teams (formsreviewteams@usaid.gov) that include the Privacy Program, M/MS/IRD (or Forms), and the Section 508 team. PWGs must follow the form/survey review and clearance process detailed on the M/MS/IRD website to get clearance on public comment forms from the forms review team.

Approval for the public comment period requires AA-level clearance from the lead B/IO, PLR, GC, and LPA, following clearance from the forms review team. If the policy entails budget implications, PLR/BRM and/or M should approve as well. The AtA/PLR's clearance is the final clearance for public release. The Action Memo (see the required [template](#)) must have the following attached: (1) editable draft for public comment, (2) editable Agency Notice announcing the public comment period, and (3) webform (see the recommended [template](#)) for collecting comments from the public. The Action Memo should be sent through the PLR Taskers (plrtaskers@usaid.gov), copying the PLR/PIA POC. The document for public comment must include a "Pre-decisional Draft" watermark.

The PWG is strongly encouraged to actively support robust and diverse engagement in the public comment period. Options include sharing the draft policy with USAID's all partner listserv (USAID-Industry-Liaison@subscribe.usaid.gov), utilizing the Work With USAID platform to publicize the comment period, targeted outreach through

stakeholder email listservs and newsletters, and sharing the draft policy through Mission communication channels with local stakeholders. It must also be shared with the USAID Alumni Association for comment (office@usaidalumni.org).

In addition, during the public comment period, the PWG is encouraged to conduct additional consultations, focus groups, or listening sessions with relevant external stakeholders, including the interagency and local stakeholders. Conducting such engagements in other languages is one option to increase local stakeholder participation. The PWG should consider DEIA issues when selecting participants.

Like in the internal comment period, the originating B/IO must consult with M/MS/IRD to properly save the comments collected during the public comment period and record what action was taken or justification for comments that were not accepted. As with the internal comment period, this information is collected for record maintenance and will not be made public. This can be done in a spreadsheet (see an optional [template](#)) or using a form (see an optional [template](#)). The originating B/IO, M, the Privacy Program, M/MS/IRD (or Forms), and the Section 508 team must approve the form.

c. Integrate Comments

The PWG must update the policy by integrating comments to the extent possible and relevant. All comments and consultations should be considered with the aim to strengthen policy inclusivity, technical rigor, and effectiveness. External comments and consultations should be used to finalize the policy document at this stage. PWGs should close the feedback loop by sharing with stakeholders how comments were used to finalize the policy.

d. Follow-up Discussion on Policy Implications and Resources

The PWG should discuss with HCTM, M, and PLR any changes in the revised draft to the policy's explicit and implicit resource and staffing requirements, as well as programmatic, ADS, and MEL implications since the previous conversation on the first draft. This discussion should take into account other ongoing policy processes at the Agency and their resource and staff implications in order to enable efficient prioritization and realistic commitments. All resource requirements and amendments to ADS chapters as a result of the policy document's publication should be discussed with PLR, BRM, HCTM, and M, as relevant, and stated in the "Resource Implications" section of the Action Memo to the Administrator (see the required [template](#)). The Action Memo must include a designation of the lead B/IO for policy/strategy implementation, and must describe efforts taken by the policy owner to reduce, mitigate, and alleviate burdens through this policy. An editable summary of the draft Policy Implementation Plan must be attached to the Action Memo.

In advance of or during the clearance process, the PWG should engage with the Front Office to ensure that the Administrator and Agency leadership are aware of the forthcoming request to approve the policy document. The PWG, with PLR participation,

may brief the Administrator on the policy document, answer questions, and resolve the issues raised in advance of formal approval. This engagement could occur at other points as well, or at multiple steps in the drafting process.

Policies and Strategies Step 5. Approve and Publish the Policy Document

a. Circulate for the First Round of Clearances

The PWG must manage the clearance process. The PWG must obtain clearance (see the required [template](#)) from the AAs of all Agency Bureaus, including the lead B/IO, PLR/BRM, LPA, and M. Additionally, all Pillar and Regional Bureaus, and Independent Offices with equities in the issues addressed by the policy document should be given the opportunity to clear. Certain units/offices within Bureaus should be given the opportunity to clear on relevant policies. For example, for policies related to the Department of Defense, the Bureau of Conflict Prevention and Stabilization Office of Civilian-Military Cooperation should be on the clearance line.

b. Final Clearances

Following the first round of clearances, the PWG makes any necessary changes to finalize the policy document. The AtA/PLR is the final clearer prior to submitting the policy document to the Administrator, but GC or POL can request to clear immediately prior to submission to the AtA/PLR for final clearance, and the PWG may accommodate that request.

c. Submit to the Administrator for Approval

After clearance is received from all required B/IOs, the AA of the lead B/IO sends an Action Memo, through the AtA/PLR, to the Executive Secretariat for the Administrator's (or designee) review and clearance of the policy document. In most cases, the Chief of Staff (and or a Deputy) and Deputy Administrators will clear the policy document prior to the Administrator's review. The Action Memo to the Administrator must include a summary of efforts to reduce burden (two paragraphs maximum), a clearance page listing the B/IOs that have cleared the policy document, and links to the editable final policy document and the editable summary of the proposed implementation plan (three pages maximum). Updates to the policy document may be necessary based on feedback from the Administrator and other Agency leadership.

d. Prepare the Policy Document for Publication

Following approval by the Administrator, the lead B/IO must assemble the policy document approved by the Administrator, including, as relevant, cleared high-quality graphics and photos. The policy document must comply with the [USAID Style Guide](#), Agency's branding and graphic [standards](#), and Section 508 of the Americans with Disabilities Act. The lead B/IO is responsible for carrying out this work (or finding a mechanism to do so) and covering the production costs.

e. Publish the Document on the USAID Website and Policy Registry

The lead B/IO works with LPA to publish the approved policy document on the USAID website and with PLR/PIA to add it to the [Policy Registry](#). The lead B/IO should work with LPA to notify the United States Congress about the policy's or strategy's publication. In addition, the lead B/IO should create and follow a dissemination plan that includes the interagency. Lead B/IOs are strongly recommended to translate policies into Spanish, French, Arabic, and other relevant languages to support implementation and strengthen localization efforts.

Policies and Strategies Step 6. Finalize and Release Policy Implementation Plan

All policies and strategies are required to have implementation plans that identify key actions and the lead actors to achieve the goals of that policy or strategy (see [ADS 200.3.5](#) for more information). Implementation planning must begin during the drafting of the document. The implementation plan must not include requirements that were not identified in the policy or strategy (see [ManRef 1](#) for required Policy/Strategy Implementation Plan content, and [Additional Help A: How-To Note on Planning for Policy Implementation](#) for recommended approaches and templates). Implementation plans must be cleared by the lead B/IO and by PLR/PIA. If the implementation plan will be public, M, GC, and LPA must also clear. Implementation plans must be released via Agency notice once completed and approved.

Section 2. Position Paper Formulation Steps

The drafting process for new position papers is a truncated version of what is used for USAID policies and strategies, and is conducted on a smaller scale. For example, drafting teams may be smaller than a typical PWG and may conduct fewer consultations.

Position Paper Step 0. Authorization for Formulation

Formulation of position papers is authorized in the Policy Agenda or by the Deputy Administrator for Policy and Programming (DA-PP) via an action memo through the AtA/PLR with clearance from the Director of the Office of Policy (D/POL), following a presentation at the PAC. The lead B/IO for a position paper should 1) Discuss the proposed position paper with the PAC Secretariat (PACSecretariat@usaid.gov); 2) Request time on the agenda of a PAC meeting from the PAC Secretariat; 3) Present the position paper rationale and concept to the PAC; and 4) Prepare and submit an Action Memo for position paper authorization.

The **Action Memo** should include the rationale for the new position paper (that was not included in the Policy Agenda), the lead B/IO for drafting the document, the timeline for drafting and publication, and if the position paper will be internal or Sensitive But Unclassified (SBU).

A short **TOR** for the drafting Team must be attached to the Action Memo. This TOR should describe the drafting team membership, including all relevant stakeholders; an initial plan for gathering and synthesizing evidence and conducting internal and external consultations, with a particular focus on locally-generated knowledge; and the timeline, including benchmarks such as first draft completion, estimated dates for the clearance process and publication. The TOR should reflect principles of DEIA including in the composition of the drafting team, by taking into account issues such as race, ethnicity, gender, age, seniority level, and hiring mechanism, among other factors, and how the planned consultations will ensure involvement of diverse voices, including local stakeholders as appropriate.

Position Paper Step 1. Launch a New Position Paper Formulation Process

Establish the Drafting Team

Following authorization, the lead B/IO should form a drafting team to lead the formulation process. If an existing Policy Task Team, authorized under the PAC, identifies the need for a position paper, that group can serve as the drafting team. If there is not an existing Task Team, a drafting team can be formed for this process. Drafting teams can be smaller than PWGs, but should still prioritize diversity and inclusion, and engagement with relevant B/IOs including M and PLR, and POL as relevant.

Position Paper Step 2. Analyze Available Information and Evidence

Analyze available information for effective practices, principles, and approaches, and current and emerging conditions, needs, and opportunities where USAID is well-positioned to make a contribution.

The drafting team must examine the existing gaps, opportunities, and challenges specific to the issue to shape the position paper objectives and recommendations. The drafting team is encouraged to consult with internal and external technical experts and stakeholders, and review key literature and knowledge, including third party contextual analysis and research, local and indigenous knowledge, project/activity results, evaluations, and field reports to draw on or establish an evidence base. Specific effort should be made to access and integrate local knowledge and expertise to the greatest extent possible.

A few specific questions for the drafting team to consider are:

- What is the current consensus on relevant concepts and terminology in the particular area, sector, or field?

- What are the most important current and emerging conditions, needs, and opportunities related to this issue for which USAID is well-positioned to make a contribution?
- Taking a lens of inclusive development, what is the differential impact that this position could have on specific populations and how might this be mitigated?
- What is the empirical basis for the principles and approaches that could be articulated in this position paper?
- What are effective, evidence-based practices in the particular area, sector, or field? Are there specific practices in the particular area, sector, or field that consistently have been shown to be relatively more or less cost-effective at improving outcomes (where cost-effectiveness evidence is applicable)?

Position Paper Step 3. Draft the Position Paper

Based on the review of evidence, the drafting team must prepare a first draft of the position paper. The drafting team should ensure that the position paper is well-written, clear, and concise and complies with the requirements outlined in ADS sections 200.3.1 and 200.3.3.2 and the USAID Style Guide.

The drafting team is strongly encouraged to conduct internal consultations with relevant stakeholders in the initial phases of drafting. Consultations with field-based staff and FSNs is required if the drafting team does not include representation from these groups.

Similarly, the drafting team should engage in external consultations for input from relevant stakeholders, including the interagency, without sharing a draft. Presentations specifying key questions or annotated outlines can form the basis for both internal and external consultations. The goal of consultations is to collect diverse views, perspectives, and knowledge, particularly from local stakeholders.

Position Paper Step 4. Clear and Publish the Position Paper

- **Circulate for the First Round of Clearances**

If a Policy Task Team, authorized under the PAC, is drafting the position paper, it must obtain clearance from its respective chairs or other leadership, as laid out in the TOR. The Task Team should also obtain LPA, GC, and M clearance.

A drafting team that is not already a Task Team under the PAC must obtain clearance from the AAs of all relevant Bureaus, Independent Offices, and relevant units (as determined jointly by the drafting team and PLR/PIA), including the lead B/IO, LPA, GC and M. The drafting team must manage the clearance process. Following the first round of clearances, the drafting team makes any necessary (as determined by the drafting

team) changes to finalize the position paper. The drafting team then sends the final draft for clearance to GC.

- **POL and PLR Clearance**

The final clean version is submitted to POL Taskers (policytaskers@usaid.gov) and PLR Taskers (ppltaskerlist@usaid.gov). Final approval is received when both the Office Director of POL and the AtA of PLR have approved the document.

- **Prepare the Position Paper for Publication**

The lead B/IO must assemble the position paper approved by POL and PLR, including, as relevant, cleared high-quality graphics and photos. The position paper must comply with the [USAID Style Guide](#), the Agency's branding and graphic [standards](#), and Section 508 of the Americans with Disabilities Act. The lead B/IO is responsible for carrying out this work (or finding a mechanism to do so) and covering the production costs.

- **Publish the Document on the USAID Website and Policy Registry**

The lead B/IO works with LPA to publish the approved position paper on the USAID website and with PLR/PIA to add it to the [Policy Registry](#). The lead B/IO should share the position paper via Agency Notice and should create and follow an external dissemination plan that includes the interagency The lead B/IO should work with LPA to notify the United States Congress about the position paper publication. Position papers developed for internal use or labeled SBU will not be published on the Policy Registry or notified to Congress.

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