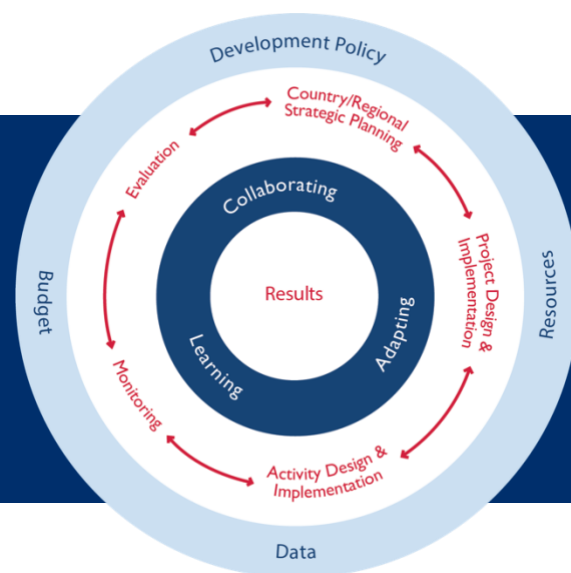


PROGRAM CYCLE

How-To Note: Country Development Cooperation Strategy Mid-Course Stocktaking



This resource describes how to conduct at least one CDCS Mid-course Stocktaking in the course of the five year CDCS.

Introduction

This How-To Note supplements [ADS 201.3.2.18](#), [ADS 201mag Mandatory Reference: Process for Developing and Approving a Country Development Cooperation Strategy \(CDCS\)](#), and [ADS 201maz Mandatory Reference: Process for Developing and Approving a Regional Development Cooperation Strategy \(RDCS\)](#). It presents guidelines and recommended practices in planning and implementing a R/CDCS (hereafter referred to as CDCS) Mid-course Stocktaking. Operating Units (OUs) that use a strategic or operational framework in place of a CDCS can modify these guidelines and practices to better suit the context in which implementation takes place. This How-To Note explains the core components of the CDCS Mid-course Stocktaking and identifies areas where customization and adaptation are possible. The primary audience for this guidance includes Program Officers, Monitoring and Evaluation (M&E) Specialists, Learning Advisors, and technical officers involved in conducting a stocktaking exercise.

Background

Per [ADS 201.3.2.18](#), a Mission must conduct at least one CDCS Mid-course Stocktaking during the life of the strategy. Stocktakings assess strategy-level results on a cumulative basis as well as changes in context or opportunity that could result in updates to strategy implementation. Often, stocktakings look ahead to the development of the next strategy. They are structured opportunities to reflect on how contextual changes and results to date confirm or challenge core assumptions of the Mission's strategy. Stocktakings play an important role in a Mission's ongoing learning and adapting. They serve as a pause and reflect moment for the Mission to generate and apply new learning across both programmatic and operational approaches. They also can be used to reflect on the extent to which implementation of projects and activities supports the strategy's objectives and whether the components can be better aligned to improve results.

Conducting this exercise helps ensure that new technical knowledge, lessons learned, and changes in the Mission's internal and external environments are understood and applied

How-To Notes provide guidelines and practical advice to USAID staff and partners related to the Program Cycle. This note was produced by the Bureau for Policy, Planning and Learning (PPL).



throughout the Program Cycle. Missions can use stocktakings to enhance strategic collaboration and stakeholder engagement, strengthen knowledge transfer among staff and partners, and/or to adjust organizational practices and culture to better enable adaptive management.

ADS 201 requires that the findings from a stocktaking be documented in an Information Memorandum that must be sent to Washington. The memo records any substantive changes in the country context or strategic approach, and is sent to the Regional Bureau who, on behalf of the Mission, distributes the Information Memo to the relevant Operating Units in Washington. [CDCS Mid-course Stocktaking Information Memo](#) requirements are covered in the last section of this How-To Note.

Set Clear Parameters and Expectations:

The importance of defining clear objectives for the stocktaking cannot be overstated. It is also important for Mission leadership and the Program Office to be on the same page about what aspects of the strategy are and are not up for discussion. Being transparent and consultative helps in setting realistic expectations. It is not possible to cover every topic, nor will there be a “perfect” or “standard” stocktaking that answers every question over the course of the process. It is essential to set parameters, explain the process, and clarify roles and responsibilities.

A stocktaking may be used to fulfill the annual requirement for a strategy-level portfolio review. For comprehensive information on strategy-level portfolio review, see the [How-To Note: Strategy-level Portfolio Review](#).

Issues to Address in a Stocktaking

The overarching purpose of a stocktaking is to review the existing strategy by thinking through how changes in context and/or results to date confirm or challenge core assumptions. The scope and parameters of what is covered varies from Mission to Mission.

The core elements include reviewing:

1. **Cumulative progress toward achievement of CDCS and project results, and expectations regarding future progress.** The Mission should determine if projects (if applicable) are on track to achieve Intermediate Results (IRs) and advance Development Objectives (DOs) and how activities are contributing to these results. To do this during a stocktaking, Missions should examine relevant performance monitoring data under each DO based on monitoring plans described in the Mission-wide Performance Management Plan (PMP). This may include data for IRs, Project Purpose performance indicators, and selected activity-level performance indicators. Evaluations, assessments, context indicators, and other sources of data may help to contextualize performance monitoring data. It can be very useful to build on the outcomes and recommendations of the most recent strategy-level portfolio review and assess or address them during the stocktaking.
2. **The status of critical assumptions, risks, and changes in context, along with related implications for performance.** Missions should examine whether the critical assumptions for each development hypothesis are holding and whether the operating context has changed. If anything has shifted, determine if those changes might be positively or negatively affecting results. The Mission should make these determinations based on evidence and data available. Note that because critical assumptions and risks are not static, the stocktaking should explicitly determine if they are still valid

or whether there are new or different assumptions or risks that should be potentially monitored moving forward.

3. **Opportunities to adapt as a result of learning.** Based on evidence of progress toward achievement of the CDCS and project results, the status of critical assumptions and operational context, and any other sources of learning along the way (e.g., indicators, evaluations, assessments, portfolio reviews, or collaborative learning across teams), Mission teams can identify opportunities and agree upon priority actions that will adjust and adapt the strategy, projects, or individual activities to position the portfolio to achieve maximum development outcomes based on the current best available knowledge. It is required to document these decisions in the CDCS Mid-course Stocktaking Information Memo, as detailed in the last section of this How-To Note.

In addition to the elements listed above, Missions may also consider addressing the following topics during stocktaking:

- **Status of cross-cutting themes.** If the CDCS identifies cross-cutting themes, then the Mission should examine relevant performance monitoring, contextual data, and other sources of learning for each cross-cutting theme based on the Mission-wide PMP. The Mission should examine outcomes that are occurring under these cross-cutting themes and how they relate to the status of CDCS and project results. The Mission may also consider how much progress should be expected on each cross-cutting theme for the next annual strategy-level portfolio review and identify additional areas for learning that could be used to inform the development of a new strategy (if relevant). The Mission can draw on existing working groups or form temporary theme-specific working groups to analyze and assess progress to date on cross-cutting themes.
- **What else has been learned from monitoring data, evaluations, partners, program participants, or other sources of information.** While reviewing progress toward expected results is an important part of a stocktaking, these reviews also provide unique opportunities for the Mission to learn from information produced during the strategy period to date. Sources may include formal monitoring, evaluation, and research efforts, as well as more informal, experiential, and ad hoc sources. It is highly recommended to look ahead to the next strategy by devoting time in the agenda to take stock of the existing evidence base, identify current knowledge gaps, and plan analyses or assessments needed for the next strategy.
- **The allocation and management of staffing and budgetary resources to support Mission objectives.** Missions should consider how the current allocation and management of staffing and budgetary resources are supporting Mission objectives and if changes are needed to support the

Balancing Planning Work and Stocktaking Discussions:

A common challenge of the planning process can be balancing the amount of advance work and discussion with the level and scope of discussions held during the event itself. The planning team has a responsibility to explain how the inputs developed in preparation for the stocktaking will contribute to decision-making. It is important to not let the advance work go “too far” and have colleagues working in sub-groups get invested in recommendations before they hear from colleagues across the Mission. In addition, recommendations made before the stocktaking formally starts may make those not involved in the preparation feel as though they have been excluded from the process. Inattention to this dynamic on the part of leadership and the Program Office can lead to staff burnout and a feeling that no new topics will be discussed before the stocktaking begins. However, this needs to be balanced with thoughtful planning that will encourage rich discussion during the event itself.

portfolio. It is important to consider how current resource allocation might need to adjust in the next strategy. Keep in mind that the Mission is required to document outcomes of discussions on this topic in the CDCS Mid-course Stocktaking, as detailed in the last section of this How-To Note.

- **Status of relevant post-evaluation action plans (see [ADS 201.3.6.10](#)).** To help ensure that institutional learning takes place and evaluation findings are used to improve development outcomes, Mission and Washington OUs must develop a post-evaluation action plan upon completion of each evaluation. The Mission is strongly encouraged to discuss the status of post-evaluation action plans and their use during a stocktaking. The Mission should also pay attention to evaluations that address topics relevant for the development of the subsequent strategy and/or are examples of learning that may be of interest outside the Agency.
- **Challenges and next steps for improving performance.** A stocktaking is used to highlight and prioritize the most important challenges related to performance and devise options for addressing them through action planning (See Step 3.1 in the next section of this How-To Note). While this may include taking decisive action during or after the stocktaking, it may also include conducting further analysis that informs future decision points or even the next strategy.

Missions are encouraged to identify ways to combine and leverage the stocktaking and the strategy-level portfolio review processes wherever possible. See Step 1.3 “Timing” in the next section of this How-To Note and the Annex for a table showing the similarities, differences, and overlap between the two processes.

Steps for Planning and Conducting a Stocktaking

While there is no standardized method for conducting a stocktaking, many Missions have followed these steps to plan, prepare for, and conduct the event.

I. PLANNING FOR THE STOCKTAKING

Preparatory work is necessary for a successful stocktaking and typically takes place over three to six weeks. The recommended steps are:

I.1. Assemble the Team

It is recommended that the Mission put together a small cross-office planning team, typically led by a Program Office staff member, that can work with Mission leadership to determine the stocktaking approach, timing, and other logistics. Some Missions have used support contracts for tasks such as data gathering, logistics, field support, stakeholder engagement, facilitation, and documenting the results and action items from the event.

I.2. Define the Purpose and Objectives

Stocktakings are most effective when they have a purpose and identify specific objectives that can serve to focus and guide the process.

The purpose of the stocktaking should be tailored to a Mission’s context and specific needs. However, there is flexibility on what to focus. For example, some Missions have used the stocktaking to review the issues covered in an annual strategy-level portfolio review and examine them cumulatively over the strategy

implementation to date. Another option, in situations where there are significant changes to the country context that immediately affect implementation, the Mission might decide to focus the stocktaking on adapting strategy implementation in light of current events and less on a cumulative review of results.

Here are some basic questions to consider while defining the purpose:

- 1) What progress have we made to date on the CDCS?
- 2) What has changed since the strategy was approved?
- 3) What have we learned during implementation over the years and how can we apply this information?
- 4) In what ways do we need to adapt what we are doing based on the changes?

Building upon decisions about the purpose, the next action is to identify a short set of approximately three to five specific objectives. These objectives might be to assess how far along the Mission is in strategy implementation; which cross-cutting themes or practices are most critical to achieving development results; how the review might support staff and portfolio transitions; and/or how to ensure that changes to context are reflected in the present and/or future strategies.

I.3. Make Key Decisions About the Process

The planning team will need to make several key decisions in consultation with Mission leadership before moving forward.

Process: What will be the sequence of events for preparing for the stocktaking? The steps described in this How-To Note provide a general outline of the sequence of events during the stocktaking that may be adapted but the planning team will need to assign specific responsibilities, set deadlines, and determine what deliverables to expect at each step along the way. The sequencing of events and the relative emphasis on data collection, analysis, and preparatory meetings can have a significant impact on the success of the event. Expect that the agenda will go through multiple revisions before it is finalized. A best practice is to record these decisions in a draft agenda and timeline and update them throughout the planning process.

Timing: A stocktaking can be held at any time of the year. Since it can take the place of the strategy-level portfolio review for the year it is completed, it often is scheduled at the same time of the year that the portfolio review would have taken place. It is a best practice to create linkages across the processes. For example, some Missions have designed the strategy-level portfolio review held the year before the stocktaking to be used as a preparatory exercise. For the strategy-level portfolio review conducted the year after the stocktaking, some Missions choose to review and build upon stocktaking findings and recommendations. A stocktaking may also be held at any point during the CDCS. It is recommended that, if the Mission chooses to only conduct one stocktaking during the life of a CDCS, the stocktaking occur midway through CDCS implementation. Note, however, that the Mission may find it more prudent to conduct the stocktaking prior to or after the midway point given unexpected changes in circumstance or context.

Format: What will happen during the event itself? Will there be presentations by each DO Team or Project Team and/or cross-cutting team? What will be the balance between small working groups and Mission-wide

plenaries? Will there be external participation? Should there be site visits? Will external facilitation be needed? Step 2, “Conducting the Stocktaking,” provides suggestions for tools and techniques that Missions have used in the past.

Helpful Hint:

This is a good reason for activities to include room in the budget for partners to convene meetings.

Location: Will the event be held in the Mission or off-site, or some combination of the two? Taking the review “outside the walls” of the Mission can shift the tone of the meeting. Some Missions include site/field visits and stakeholder consultations in the stocktaking. Physically taking staff out of their usual setting often opens them up to observations and insights. Preparation can include more factors than the typical portfolio review, so think though whether or not outside support is needed or if partners can assist.

1.4. Think About Who Should Be Involved, How, and When

Stocktaking creates an opportunity to surface perspectives that do not often get aired in other types of reviews. Making decisions about the degree to which the Mission seeks to incorporate the perspectives of partners and stakeholders (to enhance collaboration) or wants to generate field-based learning further helps to define what happens during the planning process and make it possible to determine the format, tools, and participants. Here are some questions to consider:

- 1) How can you bring in perspectives spanning technical, functional, institutional, and geographic boundaries?
- 2) Who can help the Mission reflect on aspects of programming that may not be evident from within existing teams and within the Mission itself?

Internal Participation: Who will participate in the stocktaking and in what roles? Who and how many people participate in the process can have an impact on its success. If the objective is to manage adaptively, it is critical to have the appropriate technical and operational experts and key decision makers present at appropriate moments both in the planning process and the actual event. While limiting the total number of staff who participate can make for an efficient portfolio review, including a wide range of staff members in the conversation (including support personnel) can increase the diversity of perspectives and improve staff members’ feelings of ownership of both the content presented and the decisions made.

USAID/Washington (USAID/W) Participation: Depending upon the purpose and objectives, the Mission might find it useful to invite participation and/or contributions from USAID/W pillar or regional bureaus. These contributions could be in the form of technical or analytic expertise and/or offer a broader policy perspective on development priorities as they relate to the strategy.

Implementing Partners: Implementing partners often have different perspectives and knowledge bases compared to those of USAID staff. The Mission should consider convening partners around key questions. Ideally, this would be designed as a forum to gain insights for the Mission and also help partners make connections across their work that deepens connection among them. Involving partners who support M&E and Collaborating, Learning, and Adapting (CLA) processes, and who have perspectives that span multiple years of implementation can be particularly useful for a stocktaking.

Strategic Partners: Strategic partners could include government counterparts, other donors, civil society organizations, researchers/academics, private sector partners, and thought leaders. USAID and its partners—as well as other donors and key development actors—have the ability to program influence as well as dollars. USAID staff, along with its allies, can use influence in thought leadership forums as well, sharing knowledge, promising practices, and innovations that others can adapt and apply. For the stocktaking, it is critical to focus conversations on subjects that pertain to USAID’s strategies, projects, and activities so that the information can be used to inform USAID’s programming. To broaden and enrich that conversation, it may be helpful to invite strategic partners for specific sessions of the stocktaking early on to help inform internal discussions.

1.5. Information Gathering and Analysis

Data should be collected, organized, and analyzed early in the preparatory process so that the review itself can focus on analyzing and learning from the data and using the findings to inform programmatic and/or operational changes. Examples include monitoring data and any information collected through recent evaluations, other assessments, research, learning activities (including the most recent strategy-level portfolio review), stakeholder consultations, and sector-specific reviews and analyses. As the Mission analyzes the available information, they can make informed decisions about what topics to discuss during the stocktaking and what content can be shared in advance or as background during the event. For more information, see the box on Balancing Planning Work and Stocktaking Discussions in the Issues to Address in a Stocktaking Section of this note. Throughout the process, it is important to identify current knowledge gaps that will require future data collection, analysis, or research to inform decision making, especially for the subsequent strategy.

1.6. Distribute Documentation and Guidance to DO Teams and Other Working Groups

The planning team should distribute overall guidance, including preparatory steps, plus any special guidance resulting from the key decisions discussed above. The guidance may include key questions to serve as the focus for the stocktaking, overall timeline and interim milestones or deadlines, PowerPoint templates, issue paper templates, etc. These may be accompanied by official minutes of the previous annual strategy-level portfolio reviews, along with any management action tracker maintained by the Program Office so that DO Teams can begin their preparation. Since the Mission is required to submit a CDCS Mid-course Stocktaking Information Memo to USAID/W, it is essential to keep the paperwork organized. It is possible to save time on the Information Memo by submitting key documents as annexes.

1.7. Pre-Stocktaking Working Meetings

Missions should consider hosting smaller, preparatory review sessions with relevant teams—including technical and support offices—to gather and analyze data that may be used. These smaller sessions can help raise and resolve issues at the team level that do not need to be addressed at the stocktaking with leadership. These planning sessions can also yield particularly concrete and cross-functional learning within a Mission to inform ongoing adaptive management practices. They are a good opportunity to review the learning priorities included in the Performance Management Plan.

1.8. Final Materials and Agenda Preparation

In advance of the session(s), Program Office representatives work with teams to identify and finalize the data analysis, pending decisions, and recommended actions that will be presented to the Mission leadership and

other participants. Teams may wish to use this final preparation to check alignment with themes and questions as outlined in the guidance documentation, refine key takeaways, and identify strategies for appropriately engaging Mission leadership in a learning-oriented stocktaking.

2. CONDUCTING THE STOCKTAKING

Each Mission will have different needs from a stocktaking exercise, which is why there is no standard format for conducting a stocktaking. However, it is typically conducted as a meeting or series of meetings involving Mission leadership and facilitated by the Program Office or outside facilitators (USAID/W is a resource for additional facilitation, as are support contracts). In some circumstances, a lighter effort, e.g., a desk review or series of interviews, may yield the information needed to make decisions. Ideally, the analysis and preparatory work completed prior to the stocktaking, coupled with a clear action plan that emerges from the review, helps to ensure that the stocktaking is an adaptive management event that results in decisions about how to move forward.

2.1. Tools and Techniques for Conducting the Stocktaking: Internal

- **Development Objective Capstone Sessions:** Many Missions choose to organize the stocktaking as a series of sessions organized by DO (incorporating cross-cutting issues in each). In this case, the Program Office or planning team issues a guiding document with a set of questions and/or templates that serve as the basis for presentations at the DO level. The Program Office may also work with teams to extract data from previous sessions, synthesize, and host a final capstone session, whereby Mission leadership reviews key issues and actions items from each of the DO-level reviews. This can be particularly useful for reconciling priorities and capturing trends across multiple DOs.
- **Issues Papers:** The issues paper is a document that outlines a set of questions for DO, Project, or technical teams to address. It can be used at different points in the stocktaking process. For example, it may serve as a tool for the Program Office to review and respond to early outputs from working sessions (e.g., a first draft of presentation). It may also be used during or after a stocktaking presentation to help focus the review discussion on the issues that need to be resolved before key decisions can be made about Mission actions.
- **Graphical Portfolio Analysis:** A good practice used by some Missions is to present the CDCS Results Framework and overlay it with icons (such as “+” or “-”, or “↑” and “↓”) that provide an overall assessment of the indicator trends or deviations from targets for each result statement. This method can assist Missions in identifying if sub-IRs are leading to IRs as expected. Other Missions have used mapping and Geographic Information Systems (GIS) to visualize geographic coverage and areas of integration. Additional visual options may include stakeholder maps, or updates to logic models that further inform strategy-level learning.
- **Data Visualization, Multimedia, and Interactive Formats:** To facilitate the stocktaking, mission teams may explore ways to incorporate simple data visualization (graphs, charts, infographics, etc.). That can help participants quickly understand trends, patterns, or other summary information. When available, Missions may also consider incorporating multimedia tools into the stocktaking process, such as video produced from field-based activities. With relatively low production effort, these can bring USAID’s work into the room, providing additional views and context to the review discussion. For a Mission that wishes to further encourage learning-oriented

review sessions, incorporating participatory methods such as facilitated Q&As, multi-presenter formats, and team diagramming can engage staff and deepen their contributions, learning, and buy-in for future change.

2.2. Tools and Techniques for Conducting the Stocktaking: External

It is highly recommended to engage local stakeholders during the stocktaking process. It is essential to consider at what point in the event it would be most helpful to gather these perspectives and organize the agenda accordingly. For example, if there is a need for a Mission-wide discussion about feedback received from stakeholder groups it is essential to schedule site visits and consultations in advance of the final sessions. A best practice is to include partners who can provide perspectives that reflect the needs and concerns of women and girls and other marginalized or socially excluded groups.

The options presented below, while not exclusive to a stocktaking (they can also be adapted for use for a strategy-level portfolio review), illustrate approaches to engaging external stakeholders during the stocktaking.

- **Site Visits:** Site visits are an important part of the Mission's routine oversight and quality assurance process. Three common site visit techniques are interviews, observations, and file and document reviews. A site visit is a great opportunity to verify information provided to USAID about activity performance. Once the purpose(s) of the stocktaking have been agreed upon, site visits can then be structured to gather insights for discussions and decisions. When the stocktaking purpose is focused on specific activities that have strategic implications for CDCS implementation, the site visit might follow a more standard information gathering format. Missions should consider broadening participation beyond the technical team(s) associated with the activity, which is especially important when looking at cross-cutting themes. For example, when a Mission has a geographic focus it can be valuable for staff from different offices to look at whether or not efforts across sectors are working synergistically.
- **Stakeholder Engagement:** When external participants are invited to be a part of a stocktaking to promote continued collaboration, it can be valuable to inform them of decisions made that affect their work. If a Mission conducted stakeholder meetings during the course of developing the CDCS and/or has ongoing relationships with a group of advisors, it could be helpful to re-engage them in conversations about progress to date and thinking about scenario planning for the future. Strategic partners might also be invited to share their perspectives and/or research on the country context and future trends. Consider making use of regularly scheduled host country or donor coordination meetings and revising the agenda to align with the purpose of the stocktaking. Regardless of the format, it is essential to communicate the purpose and parameters of these dialogues and manage expectations in advance: gathering input for stocktaking is not the same type of conversation as routine work planning and coordination.

3. DOCUMENT OUTCOMES AND FOLLOW-UP ACTIONS

3.1. Identify the Way Forward and Action Planning

As a final phase of the stocktaking process, the Program Office should record and distribute outcomes and follow-up actions that emerged throughout the process, with a particular emphasis on decisions made in the

final review. This action plan is the basis for adaptively managing the Mission’s programming. Technical Offices, DO Teams, Project Managers and/or support offices then address management, financial, administrative, evaluative, and technical actions as agreed. These actions may include updating the CDCS (in consultation with USAID/W when required) and/or PMP and adapting projects or activities and their relevant Monitoring, Evaluation, and Learning Plans.

The Program Office should take a leadership role in tracking the completion and/or modification of any follow-up items over the subsequent months through ongoing engagement, periodic check-ins, or whatever methods best fit with Mission processes and protocols. Although a stocktaking is required only once during the life of a strategy, it should be considered part of a Mission’s continuous process of learning and adapting.

The Mission can also incorporate an after-action review (AAR) of the stocktaking process itself, in an effort to continually learn how to improve and make the most out of the process. AARs or informal AAR-like activities are also an important adaptive management tool for the stocktaking process itself. Missions have found this type of “post-stocktaking” information extremely useful and appreciate when colleagues share valuable lessons learned about what works and what does not. Information sharing can also be done more informally between the Regional Bureau and the Bureau for Policy, Planning, and Learning (PPL) when Mission staff are in Washington.

3.2. Complete Formal Documentation Requirements

Per [ADS 201.3.2.18](#) Missions must submit to the appropriate Regional Bureau a CDCS Mid-course Stocktaking Information Memo. The memo documents the stocktaking process and key changes to the CDCS. The Regional Bureau will then distribute it to identified points of contact in other USAID/W OUs, including PPL. All memos will become part of the Mission’s CDCS file maintained by PPL. This memo and any other results from the stocktaking effort should be reviewed during a Mission’s planning for its subsequent CDCS.

At a minimum, the memo submitted to Washington must contain:

- A brief assessment of CDCS-level results to date, and whether the Mission is achieving its expected progress;
- An update of the Mission’s understanding of context and assumptions;
- A re-validation of or change to the CDCS’s development hypotheses and Results Framework;
- Information on any shifts in the Mission’s budget;
- Any management issues associated with CDCS implementation;
- A plan for adapting strategy implementation going forward, including any existing or planned modifications to the Results Framework, areas for potential close-out, or new implementation opportunities; and
- Significant new learning that should be shared within or beyond the Agency.

Information provided on significant new learning might cover findings from the stocktaking itself and what the Mission learned and could also provide information on what approaches were used. This is also the place for the Mission to document how and what it plans to communicate to stakeholders and partners about changes in context and lessons learned during the stocktaking. Here are some guiding questions to help Missions determine what to communicate and to whom:

- Given shifts and lessons learned, what ideas do partners propose about how they can better work with each other and with USAID to achieve the results in the CDCS?
- What learning can the Mission share to strategically inform and influence the priorities and new activities of civil society, private sectors, other donors, and government counterparts?

Missions are encouraged to use the [CDCS Mid-Course Stocktaking Information Memo Template](#) which is based on the requirements in [ADS 201mag Mandatory Reference: Process for Developing and Approving a Country Development Cooperation Strategy \(CDCS\)](#) and [ADS 201maz Mandatory Reference: Process for Developing and Approving a Regional Development Cooperation Strategy \(RDCS\)](#).

ADDITIONAL RESOURCES

- [ADS 201.3.2.18](#)
- [ADS 201.3.6.10](#)
- [ADS 201mag Mandatory Reference: Process for Developing and Approving a Country Development Cooperation Strategy \(CDCS\)](#)
- [ADS 201maz Mandatory Reference: Process for Developing and Approving a Regional Development Cooperation Strategy \(RDCS\)](#)
- [CDCS Mid-Course Stocktaking Information Memo](#)
- [CDCS Mid-Course Stocktaking Information Memo Template](#)

Annex A: Strategy-Level Portfolio Review and CDCS Mid-Course Stocktaking Key Similarities and Differences

	Strategy-Level Portfolio Review ADS 201.3.2.18.A	CDCS Mid-Course Stocktaking (MCST) ADS 201.3.2.18.B
Purpose	<p>In general, USAID portfolio reviews play a critical role in a Mission’s ongoing learning and adaptive management processes. They serve as “pause and reflect moments” to generate and apply new learning across a broad range of programmatic and operational approaches.</p> <p>Once a year, Missions must conduct at least one portfolio review that focuses on progress toward strategy-level results from the past year.</p> <p>During the final year of strategy implementation, the annual strategy-level portfolio review must include a cumulative review of achievements toward DOs and IRs with the results documented to support knowledge management.</p>	<p>At least once during the course of CDCS implementation, Missions must conduct a CDCS-MCST with the objective of better aligning the implementation of the Mission’s programs with changes to the context and Agency direction. CDCS-MCSTs assess strategy-level results on a cumulative basis and often look ahead to the development of the next strategy.</p> <p>However, there is flexibility on how to focus. For example, in situations where there are significant changes to the country context that immediately affect implementation, the CDCS-MCST might focus more on determining how to adapt strategy implementation in light of current events and less on a cumulative review of results.</p> <p>A CDCS-MCST can be used to fulfill the annual requirement for a strategy-level portfolio review.</p>
Frequency	Annual requirement.	Required at least once during the implementation of the strategy.
Timing and Sequencing	Many Missions find that late October/early November is a good time for the strategy-level portfolio review, as the planning process and outcome facilitates the preparation of the annual Performance Plan and Report (PPR), while others choose to hold their strategy-level portfolio review in February to inform their annual Operational Plan (OP).	A CDCS-MCST can be held at any time of the year. Since it can take the place of the strategy-level portfolio review for the year it is completed, it often is scheduled at the same time of the year that the portfolio review would have taken place. It is a best practice to create linkages across the processes. For example, some Missions have designed the strategy-level portfolio review held the year before the CDCS-MCST to be used as a preparatory exercise for the CDCS-MCST. For the strategy-level portfolio review conducted the year after the CDCS-MCST, some Missions choose to review and build upon the CDCS-MCST findings and recommendations.

	Strategy-Level Portfolio Review ADS 201.3.2.18.A	CDCS Mid-Course Stocktaking (MCST) ADS 201.3.2.18.B
Documentation	Internal to Mission	Missions must submit a CDCS-MCST Information Memo to Washington. See CDCS-MCST Information Memo required content and sample template .
Planning	Similar process for both: reference pages 4–5 of the Strategy-Level Portfolio Review How-To Note and pages 4-7 of this How-To Note.	
Topics	<p>Assess progress toward achievement of CDCS and project results and expectations regarding future progress;</p> <p>Examine development hypothesis, critical assumptions, and changes in context, along with related implications for performance; and</p> <p>Identify opportunities to adaptively manage as a result of learning.</p>	<p>Covers all topics for a portfolio review and can also be used to:</p> <ul style="list-style-type: none"> • Reinforce continuity and institutional knowledge among staff; and • Re-engage stakeholders and donor partners and facilitate stronger relationships with and among them.
Cross-cutting Themes	If included in the CDCS, both types of reviews should examine outcomes from efforts on cross-cutting themes and how they relate to CDCS results.	
Resources (Budget, Staffing, and Management)	Highly encouraged to consider the extent to which current allocation and management of budgetary and human resources support Mission objectives.	Same considerations as portfolio review; the difference is that the CDCS-MCST Information Memo documents the discussions.
Suggested Tools and Techniques	<p>Options for internally focused sessions include:</p> <ul style="list-style-type: none"> • Development Objective sessions • Issues papers • Portfolio analysis {rank +/-} • Data presentation <p>For specifics, see the Strategy-Level Portfolio Review How-To Note.</p>	Consider using and modifying the tools and techniques for strategy-level portfolio review to reflect the cumulative nature of a CDCS-MCST. Missions can also adapt portfolio review techniques to gather external feedback.
	As appropriate, externally focused session. See next column for some options.	<p>While there is no hard and fast rule, generally speaking, the CDCS-MCST often has a more explicit external focus than a portfolio review. Approaches to consider include:</p> <ul style="list-style-type: none"> • External site visits • Government consultations • Donor coordination meetings
External Stakeholders	Generally, strategy-level portfolio reviews are internally focused discussions but there is no prohibition on involving external stakeholders in parts of the discussion.	Highly recommended to engage local external stakeholders during the CDCS-MCST process. Consider at what point in the CDCS-MCST it would be most helpful to get these perspectives and organize the agenda accordingly.

	Strategy-Level Portfolio Review ADS 201.3.2.18.A	CDCS Mid-Course Stocktaking (MCST) ADS 201.3.2.18.B
Analysis and Evidence	Recommend drawing upon evidence that emerged in the past year by reviewing and/or identifying evaluation topics and other learning questions. Identify gaps in knowledge.	Highly recommended to look ahead to the next CDCS by devoting time to take stock of the existing evidence base, identify current knowledge gaps, and plan the future analytic agenda to develop the next strategy.
Adaptive Management and Continuous Learning	Recommended to identify opportunities to adapt as a result of learning from monitoring data, evaluations (including post-evaluation action plans), partners, program participants, or other sources of information to guide adaptations. The strategy-level portfolio review also serves as an opportunity to share learning and adaptation underway within activities and projects to inform the overall Mission portfolio.	CDCS-MCST has an explicit focus on learning from monitoring data, evaluations, partners, program participants, or other sources of information to guide adaptations. Missions must identify significant new learning that should be shared within or beyond the Agency in the CDCS-MCST Information Memo.
Updates and Amendments	Outcomes of both types of reviews may require changes to the strategy. For information on how to document changes to strategies, projects and activities, see ADS 201.3.2.21 Amending and Updating a CDCS and ADS 201.3.4.12 Modifications to Activities.	
Follow-Up Action Planning	Plan time during the strategy-level portfolio review to make decisions about the short-, medium-, and long-term follow-up actions. Strategy-level portfolio review action plans are internal to the Mission.	The CDCS-MCST Information Memo must include a plan for adapting strategy implementation going forward, including any existing or planned modifications to the Results Framework, areas for potential close-out, or new implementation opportunities.