Local Capacity Strengthening Policy: Implementation Updates 2024

The Local Capacity Strengthening (LCS) Policy Implementation Plan was developed in accordance with ADS 200 after the launch of the LCS Policy and is summarized in the 2023 Implementation Update. The Implementation Plan has been updated based on feedback from the first annual LCS Learning and Feedback Forum. While the LCS Implementation Plan is an internal guiding document for USAID, this document outlines key deliverables and plans related to LCS Policy implementation and is shared to promote transparency and ongoing feedback loops.

Introduction

USAID's Local Capacity Strengthening (LCS) Policy was launched on October 19, 2022. The Policy guides USAID decisions about why and how to invest in the capacity of local actors based on principles derived from an emerging consensus across the development and humanitarian landscape, feedback from local actors and partners, and years of implementation experience and evidence. The Policy informs USAID programming that builds upon the existing strengths of local actors and systems, responds to dynamic local priorities, and aligns with USAID strategic aims.

An internal LCS Policy Implementation Plan guides the Agency in institutionalizing and operationalizing the Policy's principles throughout the life of the Policy and will be reviewed and updated annually as needed by the cross-agency LCS Policy Implementation Team. This resource is a summary of the updated internal Implementation Plan.

Policy Implementation Actions

The LCS Policy Implementation Team is responsible for managing and updating the Implementation Plan, as well as coordinating and supporting implementation across the Agency. This LCS Team consists of USAID staff across the Agency. The LCS Team is led by the Bureau for Inclusive Growth, Partnerships, and Innovation (IPI), Local, Faith, and Transformative Partnerships (LFT) Hub, New Partnerships Initiative (NPI) team which works to ensure that Missions and Bureaus, Independent Offices (B/IOs) have the support and guidance they need to implement the LCS Policy.

> The LCS Team is responsible for coordinating USAID's efforts to address the four overlapping priorities outlined in the Local Capacity Strengthening Policy:
>
> 1. Institutionalizing Accountability of USAID Leadership to Advance Reform
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> 2. Prioritizing Accountability of USAID to LCS Stakeholders
>
> 3. Integrating Effective Local Capacity Strengthening Practice into the USAID Program Cycle Guidance and Resources
>
> 4. Developing Tools and Resources to Incentivize and Support Staff

1. Institutionalizing Accountability of USAID Leadership

Sustained, consistent, and coordinated **leadership-level support** is a key enabler of successful Policy implementation. The LCS Team will aim to coordinate all engagement with leadership on the Policy, including Agency Senior Leaders and cross-Agency management committees. The LCS Team will also work with Functional Bureaus and Sectors to develop **Sector-Specific Implementation Guides** as a resource for Agency staff on how to more effectively implement the LCS Policy in various sectors.

Progress

- Ongoing Leadership-level support
  - Regular engagement and coordination with Senior Leader Champions and localization leadership.
  - Coordination with the Management Bureau on the implementation of the Acquisition and Assistance Strategy.
- Sector Specific Guidance
  - Global Health Bureau LCS Policy Implementation Guidance
  - Management Bureau LCS Policy Implementation Guidance
  - Democracy, Human Rights, and Governance (DRG) Bureau LCS Policy Implementation Guidance

Planned

- Sector Specific Guidance
  - Conflict Prevention and Stability (CPS) Bureau LCS Policy Implementation Guidance
  - Resilience, Environment, and Food Security (REFS) Bureau LCS Policy Implementation Guidance
  - Education Sector LCS Policy Implementation Guidance
  - Locally Led Humanitarian Assistance Policy implementation support in relation to LCS Policy

2. Prioritize Accountability of USAID to Stakeholders

The LCS Team will continue to have regular engagement with USAID partners, stakeholders, and local actors to support learning and feedback. The LCS Team will prioritize accountability to USAID stakeholders by disseminating evidence-based and best-fit practice and supporting communities of practice.

Progress

- Briefed 38 stakeholders from across the development and humanitarian industry on the principles laid out in the LCS Policy and implementation progress and feedback.
- An External Comment Report detailing the feedback received during the draft policy's public comment period and how it informed the final policy.
- The first annual LCS Policy Learning and Feedback Forum held in October 2023, which included 1,770 participants from 108 countries over six days of virtual sessions.
- Engagement in public-facing sector-specific forums such as the Global Health Local Organization meetings.

Planned

▶ Continued support for the annual LCS Learning and Feedback Forum and on-demand partner-facing consultations.

▶ Ongoing engagement with stakeholders through briefings and a publicly accessible email address: LCSPolicyComments@usaid.gov.

3. Integrate Effective LCS Practice into the Program Cycle and Resources

The LCS Team will contribute to integrating and institutionalizing the practices and principles of the LCS Policy into Agency policies and guiding documents.

Progress

▶ Contributed to recent and forthcoming revisions to Automated Directives System (ADS) chapters and associated references including ADS 200, 201, and 303. Of note, the revised 303sam Non-US Pre-Award Survey (NUPAS) Guidelines outlines the difference between risk management tools and capacity strengthening tools.

▶ Contributed to the drafting or revisions of ten published and forthcoming USAID Policies, Strategies, and Position Papers including the forthcoming Locally Led Humanitarian Assistance Policy and the Democracy Rights and Governance Policy.

▶ Contributed to the guidance White Paper "Paying for Results: Managing Risk in Fixed Amount Awards with Local Partners".

Planned

▶ Contribute ongoing edits and revisions to USAID Policies including ADS chapters to ensure alignment with the LCS Policy, including in particular the forthcoming Local Systems Position Paper.

▶ Issue a revised guidance note on incorporating LCS in USAID's Program Cycle.

▶ Provide technical assistance to Missions to incorporate the principles of the LCS Policy into activity designs and to host industry days, workshops, co-creation, and outreach to and between local partners.

▶ Host cross-Mission learning webinars and events focused on capacity strengthening.

▶ Support implementation of the Acquisition and Assistance Strategy by increasing awareness and use of more flexible and local-friendly A&A approaches and award structures.

4. Develop Tools and Resources

The LCS Team will develop resources to support Policy implementation throughout Agency activities. This team will regularly update the internal and external resources needed to assist Agency staff and partners to operationalize the LCS Policy. The below resources are available to external audiences and are not inclusive of resources developed primarily for Agency staff.

Progress

▶ Eight virtual, self-paced micro-training modules focused on the LCS Policy principles in action

▶ A suite of resources available on the Local Capacity Strengthening Policy webpage including:

- LCS Policy in English, Arabic, Spanish, French, and Kiswahili.

- An LCS Policy overview (two-pager, available in English, Arabic, Spanish, French, and Kiswahili).

- Four case studies (Mexico, Nigeria, Senegal, and Ukraine) from different USAID contexts that embody the LCS Principles and three DRG-specific case studies embodying locally led development (Balkan Media Assistance, Greater Internet Freedom, Governance for Local Development).

- A sub-page on LCS Measurement which features the Guide to Distinguishing Tools for Local Capacity Strengthening and resources on LCS standard indicators CBLD-9, CBLD-10, and CBLD-11.

- An Annotated Bibliography outlining the research and evidence used to inform the Policy .

▶ An expert blog series on the LCS Policy on WorkwithUSAID.gov.

Planned

▶ A "What's the Shift" resource demonstrating the changes encouraged by the Policy that is gathered from examples shared during the first annual LCS Learning and Feedback Forum.

▶ A learning analysis summarizing CBLD-9 and Locally Led Programs Indicator Data from FY23.

▶ Additional expert blogs written from the perspective of local partners participating in capacity strengthening activities.

▶ LCS-specific conflict-affected and fragile environment training.

▶ LCS and conflict-specific indicator development.

Key Contextual Considerations

The seven principles outlined in the LCS Policy are flexible and action-oriented, and meant to enable coherence in decision making. Principles can help USAID translate its values into behaviors. In addition to these principles, Policy implementation should consider, where appropriate, the following contextual considerations:

Conflict Sensitivity and Integration

Climate Change

Humanitarian-Development-Peace (HDP) Coherence

Inclusive Development

Diversity, Equity, Inclusion, and Accessibility (DEIA)

Learning and Assessment Approach

The Policy Implementation Team plans to track implementation of the Policy, as well as adapt and learn from the implementation, through the following actions:

▸ In keeping with the spirit of the LCS Policy and in particular Principle 7, "Practice Mutuality with Local Partners," the LCS Policy Implementation Team convenes an annual learning and feedback forum with implementing partners, Agency staff, and local actors to enable mutual learning and accountability, to assess progress made on implementation of the Policy, and to inform implementation priorities.

▸ The LCS Policy Implementation Team contributes to ongoing evidence development and learning around the Agency Learning Agenda by linking resources and case studies to the working group and partnering in learning agenda events. Engagement around the Agency Learning Agenda focuses on Questions 8 and 9.

▸ The LCS Policy implementation contributes to Local Works priority learning areas through resource and evidence development.

▸ Policy implementation will also use data from the CBLD-9 and CBLD-11 Indicators as well as the Locally Led Programs Indicator to monitor the impact of our capacity strengthening support on the performance of local organizations and the extent to which the Agency is utilizing local capacity strengthening to support locally led programs, respectively.

▸ A Policy Implementation Assessment will be conducted five years after the publication of the Policy. Feedback from local actors, particularly USAID partners, will be a critical component of this assessment.

▸ The LCS Policy Implementation Team will conduct periodic reviews of solicitations to check for shifts in how LCS is defined and operationalized.

▸ As appropriate, the LCS Team will coordinate and share learnings with other international development and aid donors and institutions.