

# 2024 Local Works Guidance

Bureau for Inclusive Growth, Partnerships, and Innovation Local, Faith, and Transformative Partnerships Hub

localworks@usaid.gov



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"If we truly want to make aid inclusive, **local voices** need to be at the center of everything we do...

...we've got to approach this work with **intention** and **humility**... the **entire development community** needs to interrogate the **traditional power dynamics of donor-driven development** and look for ways to amplify the local voices of those who too often have been **left out** of the conversation."

- USAID Administrator Samantha Power

# LOCAL WORKS AT A GLANCE

#### **OPEN TO ALL USAID MISSIONS**

**Facilitated by:** USAID'S Local, Faith, and Transformative Partnerships (LFT) Hub

Funding:

- The 2024 round will utilize the Local Works FY2023 appropriation funds
- \$60 million in five-year funds that may be used in any sector

Letters of Interest Due: 5 pm E.T. on August 16, 2024 - Google Doc, Word Doc, or .pdf to the email below

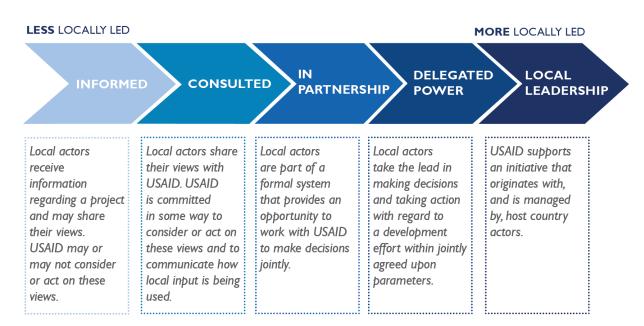
Questions: localworks@usaid.gov

### I. OVERVIEW

The United States Agency for International Development (USAID) recognizes that local leadership and ownership are essential for fostering sustainable results across our development and humanitarian assistance work. To achieve this, local actors —individuals, communities, networks, organizations, private entities, governments — must set their own development agendas, develop solutions, and bring the capacity, leadership, and resources to implement those solutions effectively. This shift in power puts local people, contexts, aspirations, and organizations at the center of development programming.

Since 2015, USAID's Local Works program and participating Missions have been at the forefront of <u>locally led development</u>, enhancing the Agency's ability to empower local actors to lead their own development. Local Works provides technical support and flexible funds to Missions to expand and deepen relationships with local actors throughout the Program Cycle, to invest in local actors' ability to resolve development challenges sustainably and to facilitate learning that benefits the whole Agency. Awards made with Local Works funds are capped at \$2 million each and can only go to partners that have received less than \$5 million over the previous five fiscal years.

Local Works has five-year funds that can be used in many sectors and regions where USAID operates. This allows Missions more time and greater freedom to pursue locally led programming and experiment with innovative operational approaches that may be challenging under typical institutional constraints, to move along this spectrum towards greater local leadership:



#### LOCALLY LED DEVELOPMENT SPECTRUM

Local Works is time-intensive and demanding, requiring a significant allocation of skilled human capital. The program emphasizes Foreign Service National (FSN) leadership, recognizing that local staff have a vested interest in the development of their country and remain at their Mission to continue relationships with local partners long after Foreign Service Officers (FSOs) have rotated on. **The most consistent predictors of successful Local Works programs over the years have been strong FSN leadership, strong Mission leadership support for locally led development, and a broad commitment to creative or experimental approaches to expanding local partnerships at the Mission** – particularly within the Program Office, the Office of Acquisition and Assistance (OAA), and the Office of Financial Management (OFM).

#### With Local Works funds, Missions can:

- Launch **new** programming with local partners that tests approaches to increase local leadership;
- Adapt **existing** programming to increase local leadership;
- Build strong relationships and promote collaboration with and among local actors;
- Empower networks of local actors to initiate and lead development efforts;
- Listen to a wide variety of local and marginalized voices to better understand needs and capacities;
- Proactively look for opportunities to engage more equitably, increase diversity, and include a wider range of local actors and communities in programming;
- Apply participatory systems approaches and processes to enable local actors to achieve sustainable outcomes;
- Develop and test flexible approaches to acquisition and assistance to facilitate work with local and nontraditional partners;
- Overcome management and operational challenges at USAID associated with locally led development through creative solutions (e.g., staffing, language, communications and outreach, events that effectively engage new prospective partners, and more);
- Invest in the capacity of local organizations to sustain themselves operationally and financially;
- Strengthen local humanitarian actors who are responding to complex and often unpredictable crises, such as climate change, conflict, closing political space, etc., and;
- Advance the Agency's overall localization efforts.

### 2. LOCAL WORKS PRINCIPLES

- I. Listen to Local Actors. With humility, actively listen to people, communities, faith groups, civil society, the private sector, academia, and the host country government. Give special attention to centering local marginalized populations, including women and girls, youth, LGBTQIA+ people, and indigenous groups. Create mutually beneficial feedback loops between USAID and local actors to learn and adapt together.
- 2. Understand Local Systems. In line with USAID's Local Capacity Strengthening Policy, identify key local actors, understand their relationships and interdependencies, and support them in developing and leading their own development solutions that positively transform systems. Recognize the roles that donor organizations like USAID play in shaping local systems and development outcomes, including unexpected or unintended outcomes. Respect existing networks and work with existing local initiatives, ideas, resources, and capacity.

### STRENGTHENING SYSTEMS, SUSTAINING RESULTS

Local Works supports programs that strengthen the performance of local actors and local systems to achieve and sustain measurable results. This is not about just building an individual organization's ability to receive and manage U.S. funding directly, but rather strengthening the system of local institutions and actors to interact and function effectively to drive positive systemic change.

- **3.** Think Long-Term. It takes time to understand local systems, build relationships, and support enduring positive systemic change. Take the time to understand power dynamics among local actors, to understand the root causes of development challenges, to engage in meaningful local co-creation processes, and to focus on achieving long-term, sustainable outcomes.
- 4. Support Local Leadership. Shift priority-setting, decision-making, leadership, and power to local actors. Support local actors in identifying, achieving, and measuring their own priorities. Consistent with USAID's <u>Acquisition and Assistance Strategy</u>, align with local priorities, leverage local resources, and increase locally led implementation to sustain results over time. Support FSN empowerment and shift ownership of locally led development efforts to FSNs in your Mission. Support efforts to design, implement, monitor, and evaluate locally led programming that spans FSO rotations.
- 5. Experiment, Learn, and Share. Take thoughtful programmatic <u>risks</u> and <u>experiment</u> with innovative approaches. Measure what matters to local actors and their constituents and measure whether and how locally led collaboration results in systemic change, including unexpected outcomes. Share learning so that the Agency, other donors, partner organizations, local actors, and impacted communities all benefit from our investments.
- 6. Embrace Diversity, Equity, Inclusion, and Accessibility. "Nothing about us, without us." To the greatest extent possible, ensure the full spectrum of knowledge and experiences of people of all ages, races, ethnicities, neurodiversities, sexual orientations, and gender identities, as well as other marginalized communities are included and centered in decision making and programming that affects them. People with diverse, intersectional identities are instrumental in the holistic transformation of local systems and have the power to drive systems change to produce and sustain new paradigms and outcomes.

### LEARNING PRIORITIES

Local Works is a learning program. Participating Missions have made — and continue to make — significant contributions to advancing the state of practice in locally led development at USAID. Priority learning areas include acquisition and assistance, community- led and participatory approaches, system-based design approaches, strengthening local capacity, local resource mobilization, locally led MEL, overcoming bureaucratic obstacles, and operating in nonpermissive environments, among others.

The Local Works/Washington team remains closely involved in Missions' Local Works portfolios, in part to facilitate and capture this learning. Explore Local Works Priority Learning Areas to learn more.

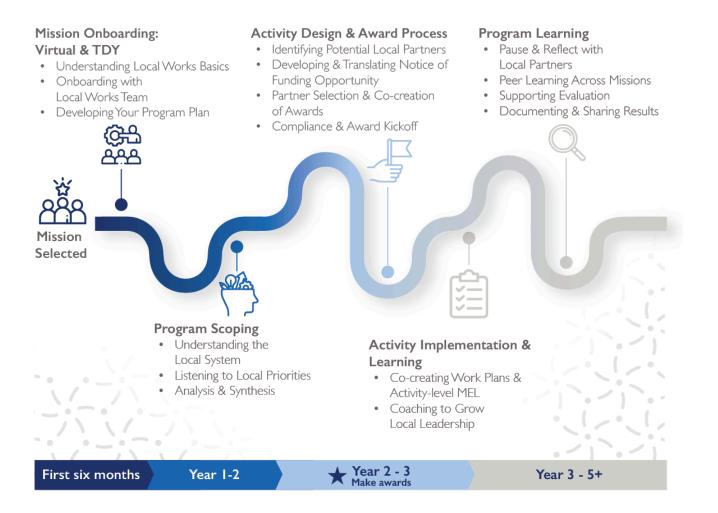
### **3. THE OPPORTUNITY**

Local Works was launched in 2015 pursuant to <u>legislation</u> enacted by Congress to integrate locally led development practices into Agency operations and programs. Since then, Local Works has held a legislatively mandated annual competition among USAID Missions to support programming that embraces the Local Works principles. Local Works funds may be used for awards in many sectors – or across multiple sectors – that reflect local priorities.

Through the submission of a Letter of Interest (LOI) and following the guidelines in section four, Missions may apply for a total funding amount ranging from approximately \$1 million to \$10 million, which can include program support funds to cover costs related to the management of Local Works activities by the Mission. Missions may award grants and contracts of up to \$2 million each to "eligible entities," which is defined as local, international, and/or U.S.-based organizations that have not received more than \$5 million from USAID in the previous five fiscal years. These statutory requirements are meant to encourage support for local, new, and nontraditional partners, and awards that are co-created with the partner in the driver's seat.

Local Works awards may be acquisition or assistance, and Missions may issue awards by any means allowed by the Federal Acquisition Regulations (FAR), the Code of Federal Regulations (CFR), and USAID's Automated Directives System (ADS). All solicitations/Notice of Funding Opportunities (NOFOs) and awards must be made and managed by the participating Mission. **Missions should expect to dedicate a significant level of time and effort to managing partnerships with non-traditional partners under Local Works**.

### LOCAL WORKS MISSION JOURNEY



In recognition of the additional time necessary to work collaboratively with local partners, **Local Works funds may be used for local staff costs and other expenses related to program support.** Local Works Missions are strongly encouraged to hire or reassign dedicated local staff to lead the program. For accounting purposes, local staff are considered eligible partners. Other expenses related to support of the program may include but are not limited to travel, training, events, monitoring, evaluation, program-related research, program design and learning, and other Mission operating expenses (OE). Local Works strives to find a way to ensure that the expenses associated with carrying out your Local Works program are covered. The actual amount of program support funding used will vary from Mission to Mission depending on the needs identified. Under some circumstances the most appropriate vendors or partners available to provide support functions for Local Works programming may not meet the eligibility criteria set forth in the Local Works legislation (having received less than \$5 million in funding from USAID over the previous five fiscal years). To allow for appropriate flexibility, Congress has permitted 20 percent of Local Works funding globally to be used broadly for "support associated with managing and strengthening relationships with entities under the program." The Local Works Washington team carefully monitors the use of this 20 percent, and must individually review and approve requests to use Local Works funding for support functions carried out by otherwise ineligible entities and for Mission operating expenses. Examples of Mission operating expenses that have been covered include Mission taxes and ICASS/motorpool. For support functions, **Local Works requires participating Missions to explain why an eligible entity cannot be used.** Examples of support functions that e ineligible entities have performed include third party monitors, Mission established MEL platforms where locally provided MEL has been attempted and failed, and buy-ins to Washington mechanisms for environmental compliance, capacity strengthening, and short-term technical assistance.

**Missions are not required, expected, nor encouraged to propose fully designed activities or have partners already identified** – instead, Missions are expected to propose an approach that takes advantage of the legislative flexibilities to increase understanding of local development priorities, local systems, and how locally led solutions might be co-created with local actors.

This is not an opportunity to fund a Mission-conceived and designed idea that will later be vetted with local actors for their buy-in. The idea should originate from local actors and advance locally led development. Details of how the Mission identified the proposed development challenge or programming must be included in the LOI. Local Works Washington envisions supporting a wide range of funding levels.

Missions may also choose to adapt a range of existing activities to be more locally led. For example, a Mission wishing to increase input from indigenous communities in the priority-setting, design, implementation, and measurement of an existing portfolio may use Local Works funds to establish permanent Mission advisory committees with indigenous community representatives who are consulted throughout the program cycle, including during Mission strategic planning. However, please **note that** Local Works is not an opportunity to acquire funds to "fill gaps" in existing or planned programming, unless the Mission can present a strong justification and demonstrate commitment to ensuring there is a fully locally led design and implementation process. Local Works activities can support the Mission Country Development Cooperation Strategy (CDCS), and may be integrated into an existing project – but, this is not required. The legislation allows for Local Works activities outside of the Mission's existing strategy, in order to address previously unaddressed local priorities, initiate programming in a new region, pilot activities to inform a new Mission strategy, and so on.

The most consistent predictors of successful Local Works programs over the years have been strong FSN leadership, strong Mission leadership support for locally led development, and a broad commitment to creative or experimental approaches to expanding local partnerships at the Mission.

### WHAT'S A SUCCESSFUL LOCAL WORKS PROGRAM?

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Missions with successful Local Works programs partner with local communities to design, implement, adapt, and learn from activities that are deeply rooted in locally defined priorities. Successful programs work towards a future where local people – communities, networks, organizations, private entities, governments – are able to meet those locally defined priorities as they evolve over time with a decreasing need for foreign assistance.

Successful Local Works programs work closely with local and nontraditional partners, investing the time and effort in capacity strengthening to help them better achieve their self-defined development priorities in addition to supporting them to work effectively with USAID, in alignment with the <u>USAID Local</u> <u>Capacity Strengthening Policy</u>.

Closely coupled with this, successful Local Works Missions and Country Offices identify and find solutions to the many operational, bureaucratic, and compliance-oriented challenges we face as an Agency — challenges that often place a heavy burden on local organizations. For the Local Works program to be successful globally, we must collaboratively learn and share our insights with the Agency to improve the overall state of practice of locally led development at USAID. Consequently, Local Works/Washington staff will accompany your Mission's Local Works team through the program cycle, sharing best practices from the current 46 Local Works Missions and providing technical support as needed. By submitting a letter of interest, your Mission is agreeing to this collaborative relationship and to the inclusion of Local Works/Washington team members throughout the design, procurement, and implementation processes.

### TECHNICAL SUPPORT TO MISSIONS

As part of its ongoing engagement, selected Missions understand that Local Works Washington will:

- Assign a Washington-based POC for each Mission
- Lead Mission staff through an onboarding process and support initial program design through virtual sessions and an in-person TDY
- Advise Missions on locally led program design, implementation, and MEL approaches
- Check in with the Mission team on a regular basis, typically bi-weekly or monthly
- Ensure alignment with Local Works requirements, principles, and legislation
- Provide strategic technical support as needed through TDYs, connections to Agency and external contacts and resources, training, facilitation, and other support as agreed
- Facilitate funds transfers to Missions
- Capture and share learning to strengthen the global Local Works Community of Practice and USAID's ability to support locally led development
- Share success stories, case studies, and lessons learned with Congress and other leaders to elevate Mission and program visibility

### IS LOCAL WORKS A GOOD FIT FOR MY MISSION?

Your Mission is likely to be a good match for Local Works if you have strong, dedicated FSN leadership, consistent support for locally led development across Mission leaders, and a commitment to creative approaches to expanding local partnerships. Over the years, these three factors have emerged as the most consistent predictors of a Mission's success with a Local Works program. Nothing can stop passionate FSNs backed by supportive FSOs and Mission leadership in an environment that values creative problem solving. On the other hand, Local Works programs without empowered FSN leadership often struggle.

Locally led development is time-intensive and demanding work, requiring a significant allocation of skilled human capital in order to navigate not only local contexts but USAID bureaucracy. It requires working with nontraditional partners with little to no experience working directly with USAID – partners with tremendous expertise and experience but who often need hands-on support to navigate USAID requirements. It also requires patience as the Mission spends the time needed to understand local priorities and design solutions with local entities - a process that takes much longer than the traditional USAID activity design. Successful Local Works Missions are not in a rush and understand and plan for the level of effort needed to work with these partners, including reallocating other responsibilities to free up staff bandwidth and generating buy-in for the investment of staff time required across the Mission and with leadership. Successful Local Works Missions usually dedicate multiple FSNs to their program, often using Local Works funds to hire locally and/or pay FSN salaries. Successful Local Works Missions have also involved supportive Programs, Acquisition & Assistance, and Financial Management Offices whose work is well integrated with technical offices. Operational challenges, conflicting incentives, and competing priorities exist at every USAID Mission, but Missions with supportive leaders who prioritize locally led development are most able to overcome these challenges.

### LOCAL WORKS STAFF QUALIFICATIONS

Local Works Missions typically identify a "core team" of staff from across offices to design and lead Local Works programming, which includes 1-2 primary points of contact. In identifying these team members, Local Works has found that success is tied to: (1) dedication to locally led development; (2) strong linkages to actors in the local system; (3) the ability, bandwidth, and willingness to strengthen the capacity of local organizations through a genuine and equitable partnership; and (4) enthusiasm for facilitating new partners' understanding of any necessary USAID processes.

### LOOKING FOR SOME DIFFERENT OPTIONS?

Not ready to apply for a full Local Works portfolio, but interested in smaller scale support for local capacity strengthening or other locally led development approaches? Reach out to localworks@usaid.gov to discuss options.

**Already a Local Works Mission?** (Don't know if your Mission is already participating? Check now!) Get in touch with your Washington POC to discuss the future of your program and if a plus-up is appropriate – in some cases, additional plus-up funding can be provided outside of the competitive process. In general, plus-up requests that are a natural expansion of existing Local Works efforts, building on what has been learned or achieved, may be eligible for additional non-competitive funding. For example, this may include focusing on a different aspect of a sector or a different approach to sustainability, such as revenue stream diversification for partners or increasing the role of private donors in a space where the previous focus was on civil society collective action. Missions requesting additional funding to support activities that the Mission is unable to continue to support, or to begin a completely unrelated set of activities, may be required to submit a new LOI. In considering plus-up requests, Local Works Washington will consider: (1) the Mission's progress with its existing Local Works portfolio, (2) Mission bandwidth to take on additional Local Works activities, and (3) alignment with Local Works legislative requirements and principles.

### 4. APPLICATION GUIDELINES

Local Works invites Missions that are committed to advancing locally led development to submit a Letter of Interest (LOI) of **no more than five pages by August 16, 2024**. The Letter of Interest provides a basis for Missions and the Local Works team to discuss basic principles and potential approaches for a long-term Local Works partnership.

### LETTER OF INTEREST FORMAT

- 1. Overview: One to two paragraph **summary** of the challenge and approach. The overview will not be considered as part of the evaluation criteria, and may be in addition to the five page submission, and must only include information covered in the LOI's required components.
- 2. Required Components:
  - a. The Challenge
  - b. Locally Led Development Approach
  - c. Operational Innovation
  - d. Feasibility
- 3. A clearance page indicating Mission Director, Program Office, OAA, OFM, and relevant Technical Office support

### CONSIDER THE "HOW" IN YOUR PROPOSED APPROACH

How could your Mission:

- Reduce the barriers local organizations face when working with USAID
- Shift relationships from being driven by international donor funds and priorities to ones identified, driven, and set by local priorities
- Shift leadership and decision-making to local actors and organizations
- Facilitate listening, feedback, and downward accountability among USAID, its local partners, and the constituents they serve
- Strengthen local capacity to achieve development outcomes
- Promote long-term sustainability of local systems
- Transition from partnerships with international actors to partnerships with local actors

### LETTER OF INTEREST CRITERIA

#### A. THE CHALLENGE (10 POINTS)

What is the development or humanitarian challenge – or set of challenges – to be addressed, and how could this challenge be transformed through local ownership and leadership? Explain how the challenge reflects locally articulated development needs and priorities, especially for highly marginalized populations. At this early stage, it is entirely appropriate for the challenge to be broadly stated (e.g., "increasing citizen participation in local governance"), but more specific challenges reflective of local development priorities are also welcome. Ensure that background information included is relevant to the development challenge and proposed solution; **it is not necessary to explain the full country and historical context in this section.** 

• **Criteria:** LOI articulates a specific development challenge(s) that the Mission will address through Local Works, articulates why a locally led solution to this challenge is important to achieving sustainable outcomes, and presents evidence that this challenge reflects local priorities.

#### B. THE LOCALLY LED DEVELOPMENT APPROACH (30 POINTS)

What is your Mission's approach to addressing the challenge identified in Criteria A in a locally led manner? How will your Mission ensure local actors — individuals, communities, networks, organizations, private entities, governments — are the ones setting the development agenda, developing solutions, and bringing the capacity, leadership, and resources to implement those solutions effectively? How will your Mission take full advantage of the Local Works opportunity to achieve these outcomes? In other words, how will your Mission ensure that programming is on the right-hand side of the Locally Led Development Spectrum?

LOIs may reflect on past efforts, successes, and challenges the Mission has experienced in fostering locally led development. Remember, Missions are not expected or encouraged to propose a fully designed activity or set of activities for Local Works in the LOI. Instead, Missions should discuss the potential steps, types of analyses, and design processes/approaches they anticipate undertaking during the next five years with Local Works funding to work towards increased local leadership.

 Criteria: LOI proposes an approach or approaches that fall towards the right-hand side of the Locally Led Development Spectrum. LOI describes how the Mission will engage with existing in-country resources (such as local experts, communities, private sector, local/national government(s), universities, think tanks, associations, philanthropy, etc.) and other local actors.

#### C. OPERATIONAL INNOVATION (20 POINTS)

How will a Local Works program at your Mission reduce the operational barriers to direct local partnerships and locally led development? Consider the challenges local and nontraditional partners face when working with USAID in your context, including navigating Mission and Agency compliance requirements. Are there requirements and burdensome practices that could be revisited, or existing flexibilities that could be adopted? Also consider any gaps in knowledge or experience at the Mission, and potential opportunities to use Local Works to explore and test new approaches.

• **Criteria:** LOI identifies internal Mission barriers to local partnerships and locally led development, and proposes creative potential solutions to enable local actors to lead the development process.

#### D. FEASIBILITY (40 POINTS)

Local Works is time-intensive and demanding, requiring a significant allocation of skilled human capital. The most consistent predictors of successful Local Works programs over the years have been strong FSN leadership, strong Mission leadership support for locally led development, and a broad commitment to creative or experimental approaches to expanding local partnerships at the Mission – particularly within the Program Office, OAA, and OFM.

Identify what resources (human, knowledge, local staff, funding, existing networks, others) the Mission can tap into for this approach. What additional resources (including hiring new local staff with Local Works funds), technical assistance, and other support will you likely need? Are there unique considerations that must be accounted for with the local country context or enabling environment? Lastly, please provide a notional budget (no more than 8 lines) for your Local Works program.

 Criteria: The LOI clearly articulates how the program will be FSN-led, have the support of Mission senior leadership, and will demonstrate the Mission's commitment to creative approaches to advancing locally led development. The LOI provides a realistic assessment of the resources available and needed (human, financial, and others) to carry out the proposed approach in the given country context. The proposed approach makes good use of the unique resources available through Local Works. The LOI addresses risks and vulnerabilities and measures the Mission will take to mitigate them. The LOI provides a reasonable notional budget. If the Mission has an active Local Works program, the LOI addresses how current Local Works resources will be leveraged.

### TOO MUCH OR TOO LITTLE?

Missions are NOT expected nor encouraged to propose fully designed activities or have partners already identified in the LOI. Instead, Missions are encouraged to discuss the steps, types of analyses, and design processes/approaches they anticipate undertaking with Local Works funding to better understand local priorities and advance local leadership in programming.

### **5. CONSULTATION PROCESS**

Consultations with the Local Works Washington team to inform your LOI are strongly encouraged, but are not required. We are here to help! To indicate your Mission's interest in engaging in a consultation process with the Local Works Washington team, please email <u>localworks@usaid.gov</u> by July 9, 2024. This will be a chance to ask specific questions about the guidance, brainstorm ideas together, and see if your objectives are a good fit for Local Works. Consultations will consist of one to two calls and one asynchronous review of a draft LOI. We encourage Missions to share a rough outline of ideas prior to the initial call. Consultation does not mean co-drafting or line editing LOIs. Consultation does not guarantee that an LOI will be selected.

### **6. DECISION PROCESS**

Following the release of this guidance, Local Works Washington will hold calls during late June, open to all Missions, to answer questions. After the LOI submission deadline, LOIs will be reviewed according to the criteria contained in this guidance by a panel drawn from Local Works Washington staff and current Local Works Mission staff. Mission selections will be made based on the LOIs, with follow-up clarification questions discussed with finalists via email or video calls. Successful Missions will enter into a partnership with Local Works Washington for ongoing design, implementation, and learning. Local Works will share with respective Mission Directors information outlining program requirements and commitments to maintaining the legislative intent of the program.

### 7. ADDITIONAL INFORMATION

### **KEY RESOURCES**

- Frequently Asked Questions
- Local Works Mission Examples
- Local Works Priority Learning Areas
- <u>Current Local Works Missions</u> (filter the map by Local Works)

Send an email to <u>localworks@usaid.gov</u> any time and keep current on Local Works by <u>subscribing to our newsletter</u>.

# 2024 TIMELINE

June 25 - July I, 2024 - Q&A calls

July 9, 2024 - Deadline to sign up for consultation process with Local Works Washington

August 16, 2024 - LOI submission deadline

September 2024 - Follow-up with finalists

October 2024 - All Missions that submitted LOIs will be notified of their selection status