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FY 2015 Consolidated Appropriations (with 2016 amendment language)

Note: All later legislation refers to this language

Red text added in 2016 amendment

Green text removed in 2016 amendment

SMALL GRANTS PROGRAM:

SEC 7080 (a) IN GENERAL.—A Small Grants Program (SGP) shall be established within the United States Agency for International Development (USAID) to provide small grants, cooperative agreements, and other assistance mechanisms and agreements of not more than \$2,000,000 for the purpose of carrying out the provisions of chapters 1 and 10 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961: Provided, That the SGP established pursuant to this section shall replace the function served previously by the Development Grants Program established under section 674 of division J, of Public Law 110–161, which is hereby abolished.

(b) ELIGIBILITY. Awards Grants from the SGP shall only be made to eligible entities, as described in the joint explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act).

(c) PROPOSALS. Awards Grants made pursuant to the authority of this section shall be provided through

(1) unsolicited applications received and evaluated pursuant to USAID policy regarding such proposals;

(2) an open and competitive process; or

(3) as otherwise allowable under Federal Acquisition Regulations and USAID procurement policies.

(d) FUNDING –

(1) Of the funds appropriated by this Act to carry out chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961, not less than \$45,000,000 shall be made available for the SGP within USAID’s Local Sustainability Office of the Bureau for Economic Growth, Education and Environment to carry out this subsection.

(2) Other than to meet the requirements of this section, funds made available to carry out this section may not be allocated in the report required by section 653(a) of the Foreign Assistance Act of 1961 to meet any other specifically designated funding levels contained in this Act: Provided, That such funds may be attributed to any such specifically designated funding level after the award of funds under this section, if applicable.

(e) MANAGEMENT:

- (1) Not later than 120 days after enactment of this Act, the USAID Administrator shall issue guidance to implement this section: Provided, that such guidance shall include the requirements contained in the joint explanatory statement described in section (in the matter preceding division A of this consolidated Act).
 - (2) Upon selection of a mission pursuant to the procedures required by paragraph (1), such selected mission may be allocated the full estimated cost of the multi-year program: Provided, that such allocations shall be subject to the regular notification procedures of the Committees on Appropriations.
 - (3) In addition to funds otherwise available for such purposes, up to 20 ~~12~~ percent of the funds made available to carry out this section may be used by USAID for **administrative expenses, and other necessary support associated with managing and strengthening relationships with entities under the SGP** ~~administrative and oversight expenses associated with managing relationships with entities under the SGP.~~
 - (4) **For the purposes of section 7080 of Public Law 113-235, "eligible entities" shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 in USAID funding over the previous five years: *Provided, That departments or centers of such educational institutions may be considered individually in determining such eligibility.***
- (f) REPORT.—Not later than 120 days after enactment of this Act and after consultation with the appropriate congressional committee, the Administrator shall submit a report to such committees describing the guidance to implement the SGP.

Conference Report (Joint Explanatory Statement 2015)

SMALL GRANTS PROGRAM (NEW): Section 7080, which is modified from the Senate bill, establishes a Small Grants Program (SGP) to replace the existing Development Grants Program to provide small organizations access to USAID support for unsolicited proposals and funding through open and competitive processes. To ensure continuity of program expertise, the SGP program design and management shall be the responsibility of US AID's Local Sustainability Office of the Bureau for Economic Growth, Education and Environment. For purposes of this section, "eligible entities" means small local, international, and United States-based nongovernmental organizations (NGOs), educational institutions, and other small entities that have received less than a total of \$5,000,000 in direct United States Government support over the previous five years. USAID guidance shall include procedures in which not less than three USAID missions shall be competitively selected to run a multi-year SGP for their respective countries. Missions shall be selected, in part, on the basis of their engagement with local entities, which can provide long-term support to NGOs and other civil society organizations. Mission

requests for SGP are not required to fit within USAID's country development plan, which has often acted as a barrier to meritorious unsolicited proposals. For the same reason, SGP funding may not be allocated or attributed toward certain funding directives prior to making awards. The agreement provides for a five-year period of availability of funds made available for the SGP. The agreement also provides that, upon selection, a mission may be allocated the full, estimated amount of SGP funding to carry out a multi-year SGP rather than having funds incrementally allocated on a yearly basis. These authorities should allow selected missions to plan and implement a multi-year SGP, and ensure the availability of necessary funding not otherwise attributed to meet additional funding directives. The agreement requires consultation with the appropriate congressional committees and expects such consultations to occur prior to the issuance of guidance for the SGP.

FY 2016 Consolidated Appropriation Act,

(q) SMALL GRANTS AND ENTITIES.—

(1) Of the funds appropriated by this Act under the headings “Development Assistance” and “Economic Support Fund”, not less than \$45,000,000 shall be made available for the Small Grants Program pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of Public Law 113–235), as amended by this Act, which may remain available until September 30, 2020.

(2) Not later than 45 days after enactment of this Act, the Administrator of the United States Agency for International Development (USAID) shall post on the USAID Web site detailed information describing the process by which small nongovernmental organizations, educational institutions, and other small entities seeking funding from USAID for unsolicited proposals through grants, cooperative agreements, and other assistance mechanisms and agreements, can apply for such funding: Provided, That the USAID Administrator should ensure that each bureau, office, and overseas mission has authority to approve, and sufficient funds to implement, such grants or other agreements that meet appropriate criteria for unsolicited proposals.

(3) Section 7080 of Public Law 113–235 is amended as follows [**incorporated above in red**]:

(A) in subsections (b) and (c), strike “Grants”, and insert “Awards”;

(B) in subsection (c)(1), delete “or” after “proposals;”;

(C) in subsection (c)(2) delete the period after “process”, and insert “; or”;

(D) after subsection (c)(2), insert “(3) as otherwise allowable under Federal Acquisition Regulations and USAID procurement policies.”; and

(E) in subsection (e)(3), strike “12”, and insert “20”, and strike “administrative and oversight expenses associated with managing” and insert “administrative expenses, and other necessary support associated with managing and strengthening”.

(4) For the purposes of section 7080 of Public Law 113–235, “eligible entities” shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 in USAID funding over the previous five years: Provided, That departments or centers of such educational institutions may be considered individually in determining such eligibility.

Joint Explanatory Statement 2016

Subsection (q) provides \$45,000,000 for the Small Grants Program and makes certain modifications to such program, including providing authority for additional administrative and oversight costs that may include increases in the number of Locally Employed Staff. The USAID Administrator is directed to continue the consultation and reporting requirements for the Small Grants Program in section 7080 of division J of Public Law 113-235 for fiscal year 2016.

FY 2017 State Foreign Ops (Consolidated)

(p) Small Grants And Entities.—

(1) Of the funds appropriated by this Act under the headings “Development Assistance”, “Economic Support Fund”, and “Assistance for Europe, Eurasia and Central Asia”, not less than \$47,000,000 shall be made available for the Small Grants Program pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of [Public Law 113–235](#)), which may remain available until September 30, 2021.

(2) For the purposes of section 7080 of division J of [Public Law 113–235](#), “eligible entities” shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 from USAID over the previous 5 fiscal years: *Provided*, That departments or centers of such educational institutions may be considered individually in determining such eligibility.

FY 17 Senate Appropriations Report

Local Sustainable Development Officers and Small Grants Program.--Not later than 90 days after enactment of the act, the USAID Administrator shall submit to the Committee a report detailing: the cost, number of personnel, and timeline required to meet the goals of USAID's work plan for the Local Sustainable Development Officers program, including addressing the existing vacancies in, and increasing the number of, USAID language-designated positions; changes USAID senior management and central support offices need to make to improve support for, and sustain, such programs and the Small Grants Program; how USAID personnel are informed about, and encouraged to participate in, such programs; the extent to which such programs will materially change USAID's overall operations and programs; how the Small Grants Program is integrated with Local Solutions; and the methodology for training USAID staff who participate in the Small Grants Program to work effectively with local communities, organizations, and governments.

Note: Senate request was for \$50M

FY 17 Joint Explanatory Statement

The USAID Administrator shall submit the report required under this heading in the Senate report regarding Local Sustainable Development Officers and Small Grants Program not later than 45 days after the enactment of this Act.

FY 2018 Consolidated Appropriations Act (HR 1625)

(p) Local Works.—

(1) The “Small Grants Program” established pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of Public Law 113–235) shall hereafter be referred to as “Local Works”.

(2) Of the funds appropriated by this Act under the headings “Development Assistance”, “Economic Support Fund”, and “Assistance for Europe, Eurasia and Central Asia”, not less than \$47,000,000 shall be made available for Local Works pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of Public Law 113–235), which may remain available until September 30, 2022.

(3) For the purposes of section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of Public Law 113–235), “eligible entities” shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 from USAID over the previous 5 fiscal years:*Provided*, That departments or centers of such educational institutions may be considered individually in determining such eligibility.

FY 18 Joint Explanatory Statement

Subsection (p) renames the Small Grants Program as Local Works. The USAID Administrator is directed to comply with the directives under the heading Local Sustainable Awards Program (LSAP) in this section and under the heading Local Sustainable Development Officers under Operating Expenses in the Senate report, except that each reference to LSAP and to the Small Grants Program shall be considered a reference to Local Works.

FY 18 Senate Appropriations S.1780 Sec 7034

(p) Local Sustainability Awards Program.—

(1) Of the funds appropriated by this Act under the headings “Development Assistance”, “Economic Support Fund”, and “Assistance for Europe, Eurasia and Central Asia”, not less than \$47,000,000 shall be made available for the Local Sustainability Awards Program pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 ([22 U.S.C. 2151i](#)), which may remain available until September 30, 2022.

(2) For the purposes of section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act 2015 ([22 U.S.C. 2151i](#)), “eligible entities” shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 from USAID over the previous 5 fiscal years: *Provided*, That departments or centers of such educational institutions may be considered individually in determining such eligibility.

(3) The “Small Grants Program” established pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 ([22 U.S.C. 2151i](#)) shall hereafter be referred to as the “Local Sustainability Awards Program”.

FY 18 Senate Appropriations Committee Report (SR. 115-152)

Local Sustainability Awards Program.– The Committee is concerned that USAID programs are often unsustainable, particularly in countries with weak and corrupt institutions;lack local buy-in; and are conducted by large contractors and NGOs at unnecessary expense. Small local and U.S. NGOs and contractors have had difficulty in obtaining USAID funding, including for meritorious unsolicited proposals, and sub-awardees are not sufficiently involved in project design.

The Small Grants Program [SGP] was established by the Committee to provide a mechanism to address these concerns, including to reform the former Development Grants Program which was not implemented by USAID as intended by the Congress. Subsection (p)(3) renamed the SGP the Local Sustainability Awards Program [LSAP]. The committee recommends not less than \$47,000,000 for the LSAP in fiscal year 2018.

The USAID Administrator shall post on the USAID Web site information describing how the LSAP will be used to promote locally owned and led development efforts that have as their primary goal the sustainability of results, by supporting (1) meritorious unsolicited proposals from eligible partners; (2) significant local investment in program design and priority-setting; (3) experimental prime-sub award structures (either acquisition or assistance) pairing ineligible partners with eligible parts to pilot closely monitored partnerships, to ensure that large contractors and NGOs minimize overhead and empower small, local connected sub-awardees in all aspects of programming (including but not limited to project design, implementation, monitoring, evaluation and communication with USAID); (4) feedback mechanisms connecting beneficiaries, implementing partners, and USAID in order to maximize communication about the efficiency and effectiveness of programming and the sustainability of results; (5) a systems approach to understanding and addressing the underlying factors that influence development

outcomes; (6) comprehensive risk assessment that focuses on risk that a program will fail to attain local ownership of development solutions, the development process, and the sustainability of results; and (7) a culture of learning experiment, and sharing for the benefit of USAID as a whole. Meritorious unsolicited proposals are those which include promising ideas outside of existing plans derived from traditional USAID design activities. These may be developed independently of USAID, or through collaborative efforts, as permitted by the Federal Acquisition Regulations.

The LSAP is not a substitute for agency-wide policy, personnel, and procurement reforms that should include career-enhancing incentives and opportunities for USAID personnel to devote the time necessary to build relationships with, and support initiatives of, local organizations and communities that lack the knowledge or ability to compete for USAID funding. The USAID administrator shall report to the Committee not later than 180 days after enactment of the act on steps already take and intended to be taken to implement the requirements under this heading, as well as an agency-wide strategy to prioritize support for demand-driven, locally-owned sustainable development. The strategy should be based on input from Local Solutions, LSAP, a broad selection of relevant USAID stakeholders (such as the Offices of Acquisition and Assistance, General Counsel, and Budget and Resource Management), and anonymous input and suggestions from USAID personnel globally. The report should include an assessment of lessons-learned and identify any obstacles, regulatory or otherwise, that may require changes in policy and/or legislation to overcome.

FY 2019 Consolidated Appropriations Act, 2019

HJ Res 31 Sec. 7034 (q) Local Works

(q) Local Works.—

(1) Of the funds appropriated by this Act under the headings “Development Assistance”, “Economic Support Fund”, and “Assistance for Europe, Eurasia and Central Asia”, not less than \$50,000,000 shall be made available for Local Works pursuant to section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of [Public Law 113–235](#)), which may remain available until September 30, 2023.

(2) For the purposes of section 7080 of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (division J of [Public Law 113–235](#)), “eligible entities” shall be defined as small local, international, and United States-based nongovernmental organizations, educational institutions, and other small entities that have received less than a total of \$5,000,000 from USAID over the previous 5 fiscal years: *Provided*, That departments or centers of such educational institutions may be considered individually in determining such eligibility.

FY 19 Conference Report 116-9, Sec 7034

Local Works.—Not later than 45 days after enactment of the Act, the USAID Administrator shall post on the USAID website: (1) a description, with illustrative examples, of how Local Works is used to promote locally owned and led development efforts that have as their primary goal the sustainability of results; (2) the criteria for qualifying for Local Works funding; (3) simple guidance for submitting proposals for Local Works funding, including unsolicited proposals; and (4) a copy of the report and strategy required under the heading “Local Sustainability Awards Program” in [Senate Report 115–152](#), which shall be retitled “Local Works”