

# Round 3 Local Works Guidance

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**USAID**  
FROM THE AMERICAN PEOPLE

## I. OVERVIEW

“ We provide development assistance to help partner countries on their own development journey to self-reliance. We look at ways to help lift lives and build communities.”

-USAID Administrator Mark Green

USAID is committed to helping its partner countries achieve self-reliance and ensuring that U.S. taxpayer investments produce sustainable, long-term development outcomes. Local ownership of the development process is vital to achieving these objectives.

USAID's Local Works is a unique program designed to shift the locus of development priority setting to local actors by enhancing the Agency's ability to support locally-owned development (e.g. local initiatives that are led and implemented by local actors). Local ownership requires shifting the relationship between donors and local constituents to one that responds to and enhances local leadership of the development process and self-reliance. Local Works does this by providing resources to missions to expand and deepen relationships with local actors and strengthen local networks, and by facilitating learning that benefits the whole Agency. To make development programming more locally-owned and sustainable, USAID recognizes that it must become more flexible in ways that respond to local actors who take the lead in their own development. In doing so, Local Works provides missions with an opportunity to work toward the goal of ending the need for foreign assistance.

Funding is available under the Local Works program to support a wide range of innovative and experimental approaches to supporting locally-owned development efforts that have sustainability of development outcomes through increased self-reliance as their primary goal. With funding and technical support facilitated through USAID's Local Sustainability Office, in the Bureau for Economic Growth, Education, and Environment (E3/LS), missions can work with partners to:

- Develop and test flexible solutions to overcome operational challenges to advancing locally-owned development within USAID.
- Build strong relationships and promote collaboration with local development actors; empower local networks of community-centered actors to initiate and lead development efforts.
- Apply systems approaches to enable local actors to achieve sustainable outcomes and self-reliance.
- Launch **new** programming that focuses on and tests approaches to local leadership and ownership.
- Adapt **existing** programming to enable greater local ownership of the development process and improved results.

## 2. PRINCIPLES

Local Works has five-year discretionary funds, which provides missions more time and greater freedom to pursue locally-owned programming and innovative operational approaches that may be challenging under typical institutional constraints.

While missions already do (or aim to do) many of these things, Local Works provides even more flexibility and support to:

### 1. Be patient

We all know that understanding local systems, challenges, and opportunities takes time; that building relationships takes time; and that supporting enduring change takes time. Local Works creates new opportunities for missions to focus on the long-term outcomes that matter the most.

### 2. Look locally

Support local ownership, leadership, and self-reliance. Find creative ways to do things in support of, rather than for, our local partners. Local Works is not just about supporting local actors, it is about helping to build local networks and institutions that are capable of responding to complex development challenges. Build upon the ideas, resources, and capacity that exist locally. Draw upon local expertise, respect existing networks and relationships, and champion local initiative to solve local problems.

### 3. Listen to the end-user

What do local constituents want? Is what we're doing working? What should we be doing differently? With five-year discretionary Local Works funds, missions

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## LOCAL WORKS AT A GLANCE

### Managed by

USAID Local Sustainability  
Office (E3/LS)

### FY 2017 global budget

\$47 million

### Discretionary five-year funds

FY2017 funds do not expire until the end of FY2021 and may be used in any sector.

### Letter of interest due

April 6, 2018

### Questions?

[localworks@usaid.gov](mailto:localworks@usaid.gov)

have an even greater opportunity to listen to local partners, communities, and constituents every step of the way, and let them set the course.

#### **4. Experiment**

Local Works is an opportunity to experiment and explore challenges and solutions together with local actors. Locally-owned development is a complex challenge with no clear, defined road map. We want failures to become learning opportunities and we encourage new and unconventional approaches. Get creative and take full advantage of the Local Works opportunity.

#### **5. Learn and share**

We all know that development isn't linear: circumstances change; new ideas emerge; old assumptions prove wrong. Experiment. Learn. Revise. Build feedback loops into what you do. And help E3/LS share what you learn so USAID, other donors, partner organizations, and local constituents can all benefit.

### 3. THE OPPORTUNITY

Local Works was launched in 2015 in response to legislation conceived by Senator Patrick Leahy (D-VT) and enacted by Congress to integrate locally responsive development practices into Agency operational and program cycles. Local Works provides funding to competitively selected USAID missions for locally-owned development efforts.

A total of \$47 million in FY 2017 funds are now available to support such efforts. Of this total, at least eighty percent of Local Works funds may be used for program implementation. Up to twenty percent may be used for program support (which can include staffing, operating expense (OE) and program-funded travel, training, and events). This eighty-twenty ratio is required by Congress at the global level. The actual breakdown of program funding to program support may vary mission to mission depending on each mission's needs.

The specific amount of funding available to selected missions will be based on the size and scope of each proposed program. E3/LS envisions supporting Local Works programs in a wide range of sizes – a mission may choose to focus on a discrete issue and request a modest amount of funding (e.g., \$500k). Or, a mission may choose to tackle a broad portfolio of challenges through a number of new awards and/or by transitioning a range of mission activities to be more locally-owned (which may require up to \$10 million or more). Missions may also focus on internal operational barriers to supporting locally-owned programming. Missions should also consider that Local

Works is more than just shifting USAID-driven programs to local ownership, it's about strengthening local systems for self-reliance.

In implementing its Local Works program, a mission may award grants and contracts of up to \$2 million each to local and US-based organizations that have not received more than \$5 million from USAID in the last five years. Awards may be made through any means allowed by the Federal Acquisition Regulations, (FAR), the Code of Federal Regulations (CFR), and the ADS, and all solicitations/awards must be made and managed by the mission.

FY 2017 Local Works funds may be used for awards in any sector (including activities outside of a mission's CDCS), and do not expire for five years. Funds may also be used for unsolicited proposals/applications, so long as they fit the purposes of this program. Funds will be allocated to missions through OYB transfers in annual increments. When possible, funds will be transferred on a "first-in-first-out" basis - older funds that expire prior to 2021 may be substituted if a mission is ready to obligate.

**Missions are not required to propose a fully designed program for Local Works.** Missions may propose anything from a nascent concept articulating a challenge or opportunity they want to address, to a more fully fleshed out proposal – all good ideas will be considered. We have five-year funds specifically for this reason – to remove the pressure to program funds in short windows, and to allow the time necessary for thoughtful design, consultation,

and analysis. The five-year funds also provide sufficient time for both an iterative design process and adaptive management during implementation.

**Local Works programs are owned and led by actors at the local level, and are overseen by missions - not by Washington.**

Within the broad boundaries of the program, missions have a great deal of flexibility to advance local ownership and sustainability of results.

E3/LS will: provide funding and strategic technical support; ensure programming is compliant with congressional intent; and capture results and learning to strengthen both the Local Works program and USAID's ability to support locally-owned development.

“The sustainability and long-term success of development assistance ultimately requires local ownership and strengthening the capacity of local systems to produce development outcomes at the regional, national, sub-national, or community levels, as appropriate. USAID should seek out and respond to the priorities and perspectives of local stakeholders, including the partner country government, beneficiaries, civil society, the private sector, and academia. These processes should be inclusive of the poorest, most marginalized populations and women and girls. USAID assistance should be designed to align with the priorities of local actors; leverage local resources; and increase local implementation to sustain results over time.”

-ADS 201.3.1.2C

## 4. LEARNING PRIORITIES

An important role E3/LS will play is to facilitate knowledge capture, exchange, and learning among missions that participate in Local Works and the wider Agency. Drawing on the past two rounds of Local Works and experience from across the Agency, E3/LS has identified several key challenges and opportunities we face as an agency in supporting locally-owned development.

**The following is not an exhaustive or definitive list** – we expect it to grow and change in response to mission and Agency priorities for learning. As you think of ways your mission might seek Local Works support, you may wish to consider:

- **Acquisition and assistance**, which includes a broad set of issues ranging from reducing management burden (for USAID and local awardees) to mechanisms that might be more responsive to changing needs. A focus on this area might include developing, testing, and learning from new procurement approaches that increase local ownership, such as Broad Agency Announcements, Fixed Amount Awards, simplified grants, private sector partnerships, and other approaches that are both creative and legal.
- **Feedback mechanisms**, which includes how information flows in both directions among local constituents, partners, and USAID to improve program effectiveness, sustainability, and increase downward accountability.
- **Systems- and networks-based analytical approaches**, which may allow us to better understand the complex environments we operate in, and the role USAID plays (or should play) in those systems.
- **Participatory decision-making**, which includes locally-led priority-setting, collaborative design, and other means of devolving control and ensuring inclusive local leadership.

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### EXISTING USAID THINKING AND PRACTICE

Local ownership of development processes and outcomes is fundamental for producing lasting change. Local Works seeks to build upon Agency policy, guidance, and emerging practice in the areas of systems thinking, collaboration, learning, contextually-informed and adaptive design and management, and flexible approaches and partnerships to advance USAID's effectiveness in fostering locally owned and led development. Important resources in these areas include:

[ADS 201: Program Cycle Policy](#)

[Local Systems Framework \(2014\)](#)

[Acquisition and Assistance Lab](#)

[Collaborating, Learning, and Adapting \(CLA\) Toolkit](#)

- **Mobilizing local resources**, which includes community philanthropy; partnerships that leverage resources from local private sector, faith-based organizations, government, civil society, and academia; and other sources of local skills and finances to replace those of international donors.
- **Strengthening local networks**, which may include supporting the work of local organizations that support networks of other local organizations, market facilitation, and other demand-driven approaches to connecting local needs with local resources.
- **Local ownership approaches to design, monitoring and evaluation, and learning** that prioritize local definitions of success and enable USAID to monitor how and to what extent an investment attains local ownership of development solutions, the development process, and the sustainability of results achieved.
- **Flexibility in mission operations**, which could include anything from experimenting with adaptive management techniques to exploring novel approaches to mission organization, procedures, and incentives to better support locally-defined efforts.
- **Supporting strategic transitions**, which includes strengthening the role of local institutions and actors to sustain outcomes with an eye toward ending the need for foreign assistance.

Mission proposals that seek to address challenges in one or more of these priority operational or programmatic learning areas will be viewed favorably; however, missions should not feel compelled to address every priority area. Proposals should respond strategically to the local context, priorities, and potential ways in which development challenges may be addressed by empowering local actors.

## 5. APPLICATION GUIDELINES

Local Works invites missions that are committed to doing development differently and empowering local actors to submit a letter of interest (LOI) of no more than five pages by COB April 6, 2018, to [localworks@usaid.gov](mailto:localworks@usaid.gov). The LOI provides a basis for missions and E3/ LS to discuss basic principles and potential approaches for a long-term Local Works partnership.

The LOI should propose an approach to strengthening USAID's contribution to locally-owned development. LOIs might address the process of strengthening local capacity to address development challenges as a whole, might focus on making specific operational or program management processes more flexible to accommodate local ownership, and/or might focus on making efforts to solve a specific development challenge more locally-owned. LOIs may consider, among others: how the proposed approach devolves leadership and decision-making to local actors and organizations; how the approach facilitates listening, feedback, and downward accountability among USAID, its local partners, and the constituents they serve; how the proposed approach shifts relationships from being driven by donor funds and priorities to ones driven by local priorities; how the approach promotes self-reliance; and/or how Local Works will be used to transition from partnerships with international to local actors.

Missions may, but are not expected to, propose a fully designed program for Local Works in the LOI. Instead, missions may discuss the steps and

types of analyses they anticipate undertaking with Local Works funding in order to work towards increased local ownership.

Successful LOIs will include the following components:

### a. Relevance

Describe the goal of the proposed Local Works program. In what way will the proposed approach advance locally-owned and sustained development? LOIs may reflect on past efforts, successes, and challenges in fostering more locally-owned development. Consider how the mission will know whether its efforts have been successful.

*Selection Criteria:* LOI proposes an approach that contributes to the Local Works goals to advance locally-owned development and enhance the Agency's ability to empower local actors to take the lead in addressing development challenges.

### b. Development Rationale

Explain how your proposed approach would tap into existing in-country resources (including local expertise, universities, think tanks, associations, private sector, philanthropy, etc.) while empowering local actors to own and lead their own development. Thinking about the broader system, how would this approach advance local ownership in your development context? How might the current system change so that outcomes achieved can be sustained, and future challenges addressed, by local actors without foreign assistance?

*Selection Criteria:* LOI proposes an approach that: prioritizes local leadership, local ownership, and self-reliance; creatively taps into existing in-country resources; and has as its ultimate goal the sustainability of development results. LOI presents a thoughtful approach of locally-owned development and thinks critically about prospects for new approaches in the mission's development context.

### **c. Innovation**

Describe how your mission will work differently – in its operations, programming, or both – to make development efforts more locally-owned, and increase USAID's flexibility and capacity to empower local actors to lead their own development. Concepts may focus on internal operations and/or external programming opportunities, and are not limited to the list of focal areas in Section 4 of the guidance.

*Selection Criteria:* LOI proposes a novel approach to enabling local actors to lead the development process, which goes beyond and/or builds upon existing practice at USAID. LOI clearly and thoughtfully articulates why the proposed approach is expected to yield more locally-owned and sustainable development outcomes as compared to existing programming and/or current operational practice in the mission/at USAID.

### **d. Contribution to Learning**

Describe what your mission, your local partners, and the broader Agency expect to learn through your proposed approach.

How will this effort contribute to USAID becoming better able to support locally-owned development?

*Selection Criteria:* LOI responds to Section 4 of the guidance and articulates how learning generated through the mission's Local Works program, including through failure and iteration, will contribute toward USAID being better able to support locally-owned development.

### **e. Feasibility**

Identify what resources (human, knowledge, funding, networks, others) the mission can dedicate to this approach. What additional resources, technical assistance, and other support do you need in order to try this approach? LOIs should consider the enabling context for locally-owned development, which may include: the country context, the mission's autonomy to pursue novel and experimental operational and programming approaches, support for the proposed approach across mission offices including the front office, and local security and access considerations. Please include a notional budget range.

*Selection Criteria:* The LOI provides a realistic assessment of the resources needed to carry out the proposed approach in the given country context and makes good use of the unique resources available through Local Works.

## 6. SELECTION PROCESS

All LOIs will be reviewed by E3/LS according to the criteria contained in this guidance, with participation from other USAID/Washington technical bureaus. Mission selections will be made based on the letters of interest, with possible follow-up questions (over email or via teleconference) for clarification from finalists.

After this round of Local Works is launched, E3/LS will schedule global conference calls to answer questions from prospective applicants. Missions may also send questions to [localworks@usaid.gov](mailto:localworks@usaid.gov) at any time. Missions can also schedule conference calls upon request. All questions and answers will be shared in the FAQ.

For details on the conference calls and for other important updates, please subscribe to the Local Works newsletter here: <https://goo.gl/UAJqvQ>.

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### Timeline:

- **February 5** - program launch
- **Week of February 12** - Q&A conference calls
- **Week of March 12** - Q&A conference calls
- **April 6** - LOI deadline
- **April 16** - First round selections made
- **April 23 - May 4** - follow-up calls/emails with finalists
- **May 18** - Final selections announced

### FAQ:

<https://goo.gl/9UhD7U>

### Legislation:

<https://goo.gl/nwsjaS>