

2016 localworks application

localworks@usaid.gov



USAID
FROM THE AMERICAN PEOPLE

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Background

Managed by
USAID Office of Local
Sustainability (E3/LS)

FY 2016 Budget
\$45 million

Launched in
2015

Number of missions selected
3-5 missions per year

**Letter of interest
due date**
December 20, 2016

**Letter of interest
page limit**
5 pages

Submit to
localworks@usaid.gov

“Development is primarily the responsibility of the people of the developing countries themselves. Assistance from the United States shall be used in support of, rather than substitution for, the self-help efforts that are essential to successful development programs and shall be concentrated in those countries that take positive steps to help themselves.”

The Foreign Assistance Act of 1961
Part I, Chapters 1 and 10

WHAT IS LOCALWORKS?

localworks is about tapping into the creativity and resources of local communities and enabling them to drive their own development.

WHAT IS LOCALWORKS?

Development change takes place in or through communities, whether that community is a village or a group of social activists. Successful communities organize themselves, access resources, and work together to achieve common goals. Communities can be served by a broad range of individuals and organizations—NGOs, civil society organizations, cooperatives, faith-based groups, universities, charities, and government. Unfortunately, some communities are isolated and lack support of any kind. Others lack the cohesion and leadership to organize around mutual goals.

Many organizations serve communities by providing goods and services. They identify needs and challenges, develop solutions, and deliver them. In doing so, they may unwittingly undermine existing capabilities and communities' confidence that they can develop, implement, and fund their own solutions.

Organizations that support communities often have needs of their own that evolve over time. At one point, an organization may need help figuring out how to engage communities in a more empowering way. Later, it may want to expand technical capabilities or find ways to attract and retain staff. Even later, it may focus on raising more funding.

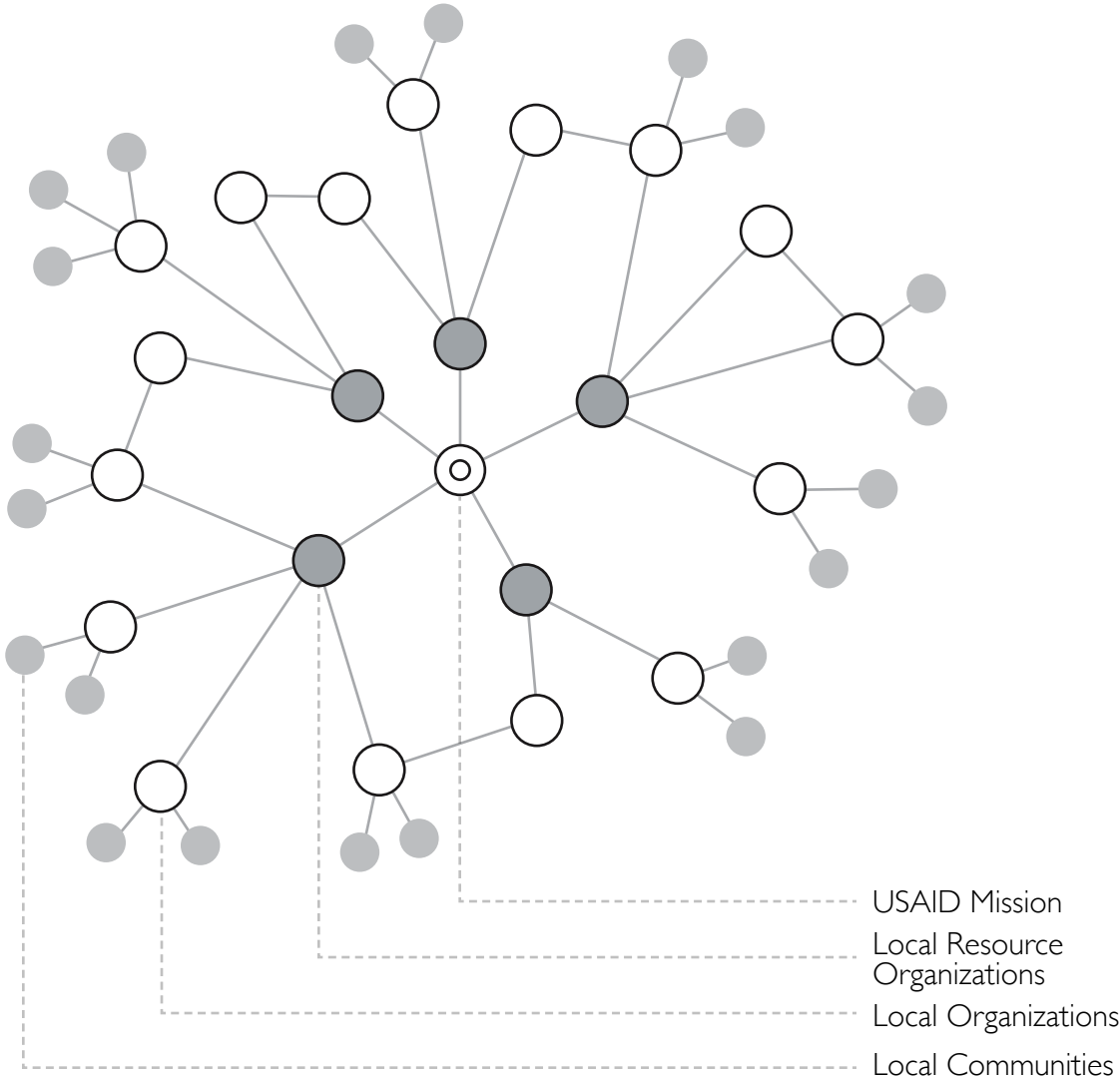
In most developing countries, there are local resource organizations that can meet these needs: consulting firms, apex organizations and networks, accounting firms, think tanks, philanthropies, universities, charities, and

faith-based organizations. For a number of reasons, local organizations and the local resource organizations that could help them often fail to connect. Instead, the more entrepreneurial local organizations turn to donors and international organizations for support and technical assistance.

localworks partners with local resource organizations that can provide the support that other local organizations need. We call this the “wholesale approach.” Instead of directly funding many local organizations, missions find a few capable resource organizations that command trust and respect among other local organizations. Missions help these resource organizations reach out to and support other local organizations and one another, creating a web of organizations that can work effectively together to achieve common goals. However, missions also reach out directly to local organizations and communities to identify opportunities, build relationships, monitor progress, and obtain feedback.

In turn, the local organizations supported by *localworks* resource organizations empower and support communities to mobilize needed resources and work together to achieve their goals. This is the core of *localworks*: encouraging partner organizations to support communities in creating their own solutions.

OUR APPROACH



THE WHOLESAL APPROACH

The wholesale approach encourages local resource organizations to play the role of facilitator and enable connections between key local actors. In focusing on key players, the idea is to strengthen an expansive network of local actors that will eventually sustain itself.

OUR APPROACH

localworks takes a wholesale approach and partners directly with local resource organizations. The local resource organizations support local organizations by providing knowledge and expertise, and local organizations in turn empower and support their communities.

LOCAL RESOURCE ORGANIZATION

A local resource organization is an organization that can provide resources and services to other organizations. These may include, but are not limited to:

- civil society organizations;
- academic institutions;
- private firms;
- professional associations;
- NGOs;
- philanthropies;
- and faith-based organizations.

Note: Of course, just because something is local, doesn't mean it's inherently good. For example, organizations can be local in the geographic sense but still unresponsive to the needs of local communities.

THE END STATE

We envision that as a result of *localworks*, local actors will come together to address the needs of their communities and that the needs and aspirations of local people will drive development.

Some of the ways in which we will be able to see that the *localworks* approach is successful are:

- Enhanced ability of communities to drive their own development
- Local resource organizations improve outreach to local organizations that need their services
- Local organizations have increased access to high quality support that is tailored to their needs
- Shifts in centers of influence from USAID missions and international organizations to local organizations
- Stronger trust and cooperation within communities and among local organizations
- Increased mobilization of local resources for local community priorities, including expansion of domestic philanthropy
- Increased positive feedback from local communities on the role and performance of local organizations

LOCALWORKS PRINCIPLES



Let local actors drive the agenda

Local capacity exists—in communities, the private sector, universities, and individuals. Local ownership—initiative, approach and control—is fundamental to lasting change. Support local resources. Encourage local expertise. Respect local knowledge and capacity. Encourage local initiative to meet challenges or seize opportunities.



Focus on wholesale

localworks is not about giving one-off grants to individual organizations. Instead, focus on supporting local resource organizations that have financial, organizational, technical, and human resources that other organizations and communities can draw on. By working with these kinds of organizations, we will be able to reach more communities and create greater systemic change.



Listen

In order to find the right local resource organizations to work with, it's crucial to listen to a broad cross-section of people—whether residents of slum communities, local NGO leaders, or village chiefs. It is important to build relationships with the people we're serving and listen to what they're saying, not just during a formal consultation at the start of a program, but throughout. Listen to understand local priorities. Listen to validate decisions. Listen to judge how well things are going. Listen because it opens windows to new ideas.





Be patient

Listening takes time. Understanding relationships and systems takes time. Building mutual respect and trust takes time. Change takes time. Take the time to listen, to understand what you hear, to build relationships, to encourage change.



Experiment

localworks is an opportunity to experiment and explore. It is a complex challenge with no clear, defined roadmap. We want failures to become learning opportunities and we encourage you to try new and unconventional approaches. Get creative and take full advantage of the *localworks* opportunity.



Learn & share

Change is seldom linear: circumstances change; new ideas emerge; old assumptions prove wrong. Experiment. Learn. Revise. Build feedback loops into what you do. Document your experience. And share what you learn so we can all benefit. There is a great deal for us to learn.

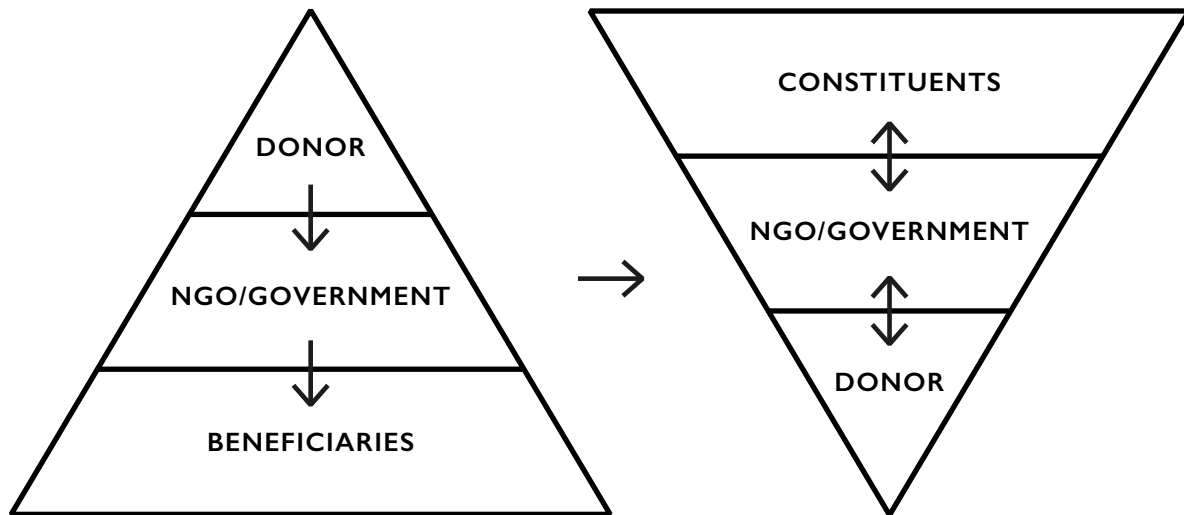


Use a systems lens

Problems and opportunities exist in a context. A systems lens helps identify the relevant individuals and entities, how they interact, and the dynamics that influence and govern the system.

Where do
missions
come in?

WHERE DO MISSIONS COME IN?



We are looking for mission partners who are dedicated to shifting decision making to local actors, who in turn can do the same for their constituents.

WHERE DO MISSIONS COME IN?

localworks partner missions will develop relationships of mutual respect and trust with local resource organizations, partnering with them to explore, test, and adopt ways to help local organizations and communities work together to drive development.

Broad Listening

Listening is at the core of *localworks*—philosophically, pragmatically, programmatically. Often we listen with a specific goal in mind, whether it's designing a sector activity or assessing impact. While that listening is vital, it's also critical to listen simply to better understand people and communities.

Missions begin *localworks* by listening to a broad range of ordinary people and local organizations to better understand their development priorities, how they define challenges and opportunities, and how they work to meet them. As missions listen, they continue learning about the formal and informal rules, regulations and customs as well as the economic, cultural, ethnic, and other factors that define local systems. *localworks* emphasizes listening without a specific sector or design agenda. Open-ended listening enables us to hear more clearly what is most important to local organizations and people, and yields broader insights.

Systems Analysis

Systems analysis helps us learn as much as we can about a particular system. Without this analysis, development programs can result in unintended consequences that distort the system or undermine existing local capacities. Ethnographic research, political economy analysis, stakeholder analysis, gender analysis, and network analysis can all contribute insights to a systems analysis. For *localworks*, systems analysis is sector-neutral. It encompasses communities, the local organizations that serve them, the local resource organizations that support local organizations, local governments and relevant ministries, and funders.

Systems are dynamic. It's important to understand that an analysis is a snapshot at a moment of time. However, good systems analysis can highlight areas of potential tension or dynamism. It can provide clues about how the system may change. What factors might be most influential? Who is marginalized and why? And, how might *localworks*' engagement affect the system?

CHANGES SINCE LAST YEAR'S APPLICATION

Program Phases

Last year, we use the terms “design phase” and “implementation phase” to describe the *localworks* process. In doing so, we unintentionally suggested a linear process with distinct phases. In particular, it suggested that “design” activities would end once “implementation” began. We've since moved away from those terms and are encouraging missions to explore, in an iterative manner, to get to the end goal of locally owned and led development.

Letter of Interest

We also asked for development challenges and development hypotheses to be identified in the letters of interest. This led many missions to focus on solving problems in specific sectors. This year, on [pages 17-18](#), we clarify that what we want in the letters is not what challenges missions will solve, but how they will empower local resource organizations to support local organizations (that in turn support communities in addressing their development priorities and challenges).

Network Analysis

Network analysis contributes to a systems analysis and is central to *localworks*. It helps identify local actors, their relationships, and the factors that influence their interactions. Network analysis can highlight resource flows and directions of influence. Because the nature of the relationships among actors is dynamic, it should be ongoing.

Listening and network analysis are critical components of a *localworks* systems analysis. Whatever analytical methods missions select, they should involve engaging with local people and organizations, listening to their priorities, challenges, opportunities, and what has and hasn't worked in the past.

Relationship Building

As missions identify promising local partners—partners with passion, the right values and capabilities—they will develop long-term relationships, supporting their efforts to expand their outreach and their ability to serve as a resource for other local organizations. The objective is to provide enduring support to local organizations' efforts to help communities and constituents achieve their goals. This will take time, patience, a willingness to test new ideas, and a focus on listening throughout.

Because *localworks* is experimenting with different ideas and solutions, an iterative process should be used to develop and refine your approach.

Constituent Feedback

Constituent feedback from individuals, local communities, local organizations, and local resource organizations should be continually obtained and used to inform design and implementation of projects. *localworks* encourages an iterative approach that allows for simultaneous experimentation with multiple possible solutions to quickly test their viability.

Learning is central to *localworks*. Throughout the *localworks* process, we will work with missions to document significant events and key decisions—not just at the beginning, but throughout.

IDEAL PARTNERS

localworks seeks to support organizations that are...

- seen by other local organizations as key resources
- well connected to other local organizations
- able to positively influence other local organizations
- responsive to the interests of their local constituents
- good listeners with open minds
- respectful and collegial towards other local organizations
- able to provide support, resources, and/or ideas to other local organizations

WHAT LOCALWORKS IS NOT

localworks is not...

- an opportunity for USAID to solve local problems *for* local communities and organizations;
- for sector driven projects;
- a short-term, donor-led project;
- a one-size fits all approach;
- linear or predictive in design;
- focused on short-term results.

HOW TO APPLY

Write us a five page letter expressing your interest in *localworks*. Tell us what it offers your mission and how you would take advantage of it.

Please address the following questions:

1. The *localworks* legislation has several unique elements. How might your mission take advantage of this opportunity?
2. What approach would you use to identify the challenges and opportunities to focus on?
3. How might you identify who to work with, and how would you ensure that they are actively engaged with or represent the interests of their constituents?
4. What would you consider success for *localworks* at your mission?
5. How will your mission devolve control to local actors and organizations?
6. How will your mission ensure that you receive feedback directly from local organizations and local communities?

In answering these questions, feel free to include examples of things your mission has done in the past.

Deadline: December 20, 2016

Submit to: localworks@usaid.gov

UNIQUE ELEMENTS

Discretionary funds

localworks money does not have to be used for a specific sector. If there's a locally identified priority that doesn't fit into an existing USAID sector or the Mission's CDCS, *localworks* money can still be used for it.

Human resources support

We know Missions have a lot going on, and we know *localworks* is going to be a lot of work. To help, *localworks* funds can be used to hire local staff.

Dedicated five-year funds

Development takes time. *localworks* has five-year funds that can potentially be spent over a longer period when obligated into a bilateral agreement.

Collaborative reporting

We'll work together to find the best way to share lessons learned.

Room for creativity & flexibility

Development doesn't follow a blueprint. *localworks* is your chance to try new things and take an iterative approach to program design.

SELECTION

The final selections will be made based on the letters of interest and follow-up phone calls.

We will select no fewer than three missions for *localworks* each year.

SELECTION PROCESS

We will select no fewer than three missions for *localworks*.

1. Missions submit letters of interest (LOI)
2. *localworks* DC, with help from other USAID Washington staff, makes first cut of LOIs based on the quality of the LOI
3. *localworks* DC has follow-up phone calls with remaining missions
4. Final selections are made based on both the letters of interest and phone calls

MISSION

We are looking for missions that...

- are creative and open to exploring new approaches and ideas
- are willing to shift decision making to local actors
- are good facilitators who can bring together local actors and let them take the lead
- have strong mission leadership support for the *localworks* vision
- are willing to support *localworks* programming with appropriate analyses (e.g. network analysis, systems analysis, gender analysis)
- are comfortable listening to a cross-section of local actors and communities, including marginalized populations

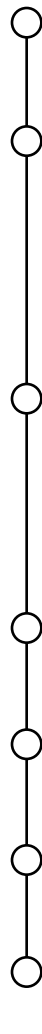
LETTER OF INTEREST

We are looking for letters of interest that reflect a clear understanding of *localworks* objectives and that...

- emphasize how the right local actors will be identified
- articulate an approach that builds on existing local resources and capacity
- support development of a local system
- describe how a systems lens—including listening and network analysis—will be used

TIMELINE

This timeline shows the general sequence of events involved in the application and selection process. The dates are subject to change.

- 
- **NOVEMBER 21, 2016**
Application launch
 - **NOVEMBER 29, 2016**
General webinar
This webinar session will be open to all missions interested in learning more about *localworks*. There will be a Q&A session open to the group at the end.
 - **NOVEMBER 29-DECEMBER 19, 2016**
Optional phone calls
Missions can schedule one-on-one phone calls with *localworks* DC staff if they have questions that are specific to their mission.
 - **DECEMBER 20, 2016**
Letters of interest due
 - **JANUARY 6, 2017**
First round of selections made
 - **JANUARY 9-20, 2017**
Phone calls with first round missions
 - **JANUARY 31, 2017**
Final three selected

The Fine Print

RESOURCES

With a total annual budget of \$45 million, *localworks* will fund selected missions based on the size and scope of each program. The following are some guidelines on what kind of activities the funds can be used for.

20%

of the *localworks* budget can be used for program support

This includes expenditure of *localworks* DC and missions.

There are no specific restrictions or eligibility requirements for the program support funds. Missions can think creatively about using these funds.

New Staff

You can hire new Foreign Service Nationals staff with the program support funds.

Travel

The 20% can also be used for *localworks* travel, whether it's TDYs, domestic travel to engage with local actors, or for listening activities.

Training & Events

You can host training and other events related to *localworks* with these funds as well (e.g. conferences, launch events, capacity development workshops).

80%

of the *localworks* budget can be used for acquisition & assistance awards

The rest of your budget can be used for any combination of acquisition and assistance awards (e.g. grants, contracts, fixed amount awards, and cooperative agreements).

Award Amount

Each award can be up to \$2 million.

Awardee Eligibility

Awardees cannot have received more than \$5 million from USAID over the last five years.

Missions are strongly encouraged to work with local partners. Under exceptional circumstances, with *localworks* DC concurrence, awards may be issued to U.S. or international NGOs, educational institutions, and other entities—provided they meet the eligibility requirements AND work with local organizations as equal partners, with the explicit goal of transferring knowledge and expertise.

Missions can use the money for any sector	Program funds may be used for activities in any sector, including those not part of the mission's Country Development Cooperation Strategy (CDCS).
What's the expiration date?	Missions have five years to use the funds, which can potentially be spent over a longer period when obligated into a bilateral agreement.
Who manages the money?	The majority of funds will be allocated to selected missions through Operating Year Budget (OYB) transfers. They will be transferred in increments.
What should the money <u>not</u> be used for?	<ul style="list-style-type: none"> • Direct awards that do not follow <i>localworks</i> principles • Awards to Public International Organizations • U.S. Personal Services Contracts • Awards to U.S.-based or international firms • Interagency Agreements • Government-to-Government mechanisms <p>Note: Under special conditions, with <i>localworks</i> DC concurrence, local government entities working at the community level may be considered.</p>
Missions are not alone!	<p>Country Support Team</p> <p>Each <i>localworks</i> Mission will be assigned a country support team within <i>localworks</i> DC, which will coordinate support to the mission. The country support team will also help identify and share lessons learned more broadly, within USAID and with partners.</p>
How do we work together?	<p><i>localworks</i> is about building relationships. In working with missions, <i>localworks</i> DC hopes to create strong partnerships. <i>localworks</i> was designed to be flexible so that the perspectives and priorities of local actors can be incorporated into program design. <i>localworks</i> DC is responsible for ensuring that the core elements and principles of <i>localworks</i> are incorporated across all <i>localworks</i> programming. <i>localworks</i> mission teams are responsible for implementing country programs in alignment with <i>localworks</i> principles. We anticipate frequent communication between <i>localworks</i> DC and partner missions to facilitate collaboration.</p>

How much time will *localworks* take?

localworks is a time and labor-intensive program. Before applying, missions should consider carefully whether they are willing to dedicate the necessary human resources for a successful program.

What are the procurements rules?

Any method that complies with the Federal Acquisition Regulations and USAID procurement policies is allowed—this includes open competition, unsolicited proposals/applications, and properly justified non-competitive procedures.

Competitive awards

The following examples meet the requirement of an open and competitive process:

- An RFA or APS issued at the Mission level
- An associate award issued under an eligible LWA
- A Mission-issued Broad Agency Announcement (BAA)

Unsolicited Applications

Missions should have procedures in place to review unsolicited applications. Missions are required to comply with the standard USAID policies for reviewing and awarding unsolicited applications.

Sole Source Awards

The FY 2016 legislation allows for sole source awards. AOs/COs must prepare a Justification for Restricted Eligibility (JRE) for each award.

INFREQUENTLY ASKED QUESTIONS

Following are questions asked by some of those who were kind enough to review draft LOI guidance along with our answers. Please feel free to contact *localworks* DC if your questions are not addressed.

Should missions conduct studies or consultations before drafting the letter of interest? Should we submit a budget, a performance monitoring and evaluation plan, staff costs, partner commitment letters, and so on?

No. Consultations may be useful to inform a mission's thinking, but not if intended to inform or justify a "project." We are really interested in the Mission's conceptual approach to a *localworks* program that will incorporate the *localworks*' goal and principles. There is absolutely no need for a budget, PMEP, commitment letters, and the rest. Once a Mission concept appears promising, we will work with the Mission to address those types of questions.

Our Mission is already doing a lot of the stuff *localworks* is outlining. What's new?

localworks draws on a wide range of thinking and experience on what works in development. Some of the theory and practice that inform *localworks* dates back to the 1960s and, even further, to the early twentieth century. However, *localworks* may differ in two ways: First, the legislation provides an opportunity to apply all the different methods and approaches that

our Agency and others have developed in a comprehensive way. Second, and more fundamentally, *localworks* seeks to strengthen the system that supports development of communities. Specifically, it seeks to expand and strengthen the local resources (technical, financial, and organizational) available to local organizations (NGOs, CSOs, cooperatives) that serve communities. There is no specific focus on achieving sector-specific outcomes. The key result is a significant change in the local system. This represents a very different "result."

What is the difference between "Local Solutions", "Local Systems", "Local Sustainability", "*localworks*", and the "Small Grants Program"?

"Local Solutions" is both a broad Agency Policy that reflects the Implementation Procurement Reform element in USAID Forward and a coalition of offices that work to develop and support policies, programs, methods and techniques that expand the Agency's engagement with governments and civil society in the countries where we work. "Local Systems" is an analytical approach that attempts to identify all the organizational, cultural, political and social factors that contribute to, and inhibit, achievement of

specific goals. The approach is described in the Local Systems Framework.

“Local Sustainability” is the name of the E3 office responsible for “*localworks*”. “Local sustainability” is also used in the legislation enacted by Congress in Section 7047[j] of the Consolidated 2015 Appropriations Act, which refers to Local Sustainability Development Officers.

Finally, “*localworks*” is a Congressionally-mandated program that seeks to support local initiative, the ability of communities to successfully mobilize around mutual goals and access the resources—financial, organizational, technical, advocacy—needed to achieve those goals.

Finally, the “Small Grants Program” is the title that Congress gave to this program, which USAID subsequently renamed “*localworks*”.

Does *localworks* DC think missions haven’t done any analysis or consultation?

We certainly recognize that missions engage in extensive analysis and consultation. This is reflected in their CDCS documents, in program documents, and especially in discussions with mission staff. *localworks* focuses on the system that supports the development of communities rather than a specific technical sector.

If we have already done analyses for our CDCS, do we need to repeat them for *localworks*?

That would depend on the focus of the analyses that have been done. If they have a specific sector focus that does not incorporate the community development system, then it may well be important to do *localworks* specific analyses—not before submitting a LOI, but as part of *localworks* design. One of the first steps of a *localworks*

program is a system analysis. In many cases, analyses that the mission has already conducted—for example, a political economy, gender, or ethnographic analysis—could inform the *localworks* analysis. *localworks* also encourages real time network analyses, listening exercises, and constituent feedback which may not have been part of the CDCS process.

How will we get systems analysis done? How will we hold listening sessions?

We hope that mission *localworks* teams will play a major role in systems analysis and listening. *localworks* DC will shortly have agreements in place with groups that are helping us to refine our approach in several of these areas, and they will partner with *localworks* missions. We also have a mechanism that can provide training support for mission staff. *localworks* expects all U.S.-based partners to collaborate with local resource organizations, so that the methods, knowledge, and experience gained in implementing *localworks* are anchored in local systems.

What is the role of missions versus the local resource organizations?

Missions will support local resource organizations in their efforts to reach out and respond to the needs of a broad range of local organizations. We hope that mission *localworks* staff will develop the type of relationship where suggestions and criticisms are shared—both ways—in an atmosphere of mutual respect and trust. Based on appropriate analyses, the mission will identify a range of possible partners and then choose those that are most aligned with the needs of the communities they serve.

Once missions identify their partners, they will negotiate the nuances of the partnership

and how to effect change in the system that supports community development. Ultimately, the local partners will be in the driver's seat while missions will play a facilitative role. There are no recipes and the details will depend on the context, the organizations, and the environment.

However, it is important to note that missions also reach out directly to local organizations and communities to identify opportunities, build relationships, monitor progress, and obtain feedback.

How do we do *localworks* if it is not centered around a sector? Won't the local resource organizations likely work in a specific sector?

The system *localworks* seeks to affect is the one that supports development of communities. *localworks* is not for sector-specific projects in that its focus is not to achieve outputs or results in health, education, democracy and governance, agriculture, or economic growth. Local resource organizations may work in a certain sector, but the criteria for selecting local resource organizations is not based on their sector expertise, but rather on their ability to provide support to other local organizations.

Let's take an example of a mission that designs *localworks* around education. The tendency will be to look for resource organizations with established expertise in that field. However, those resource organizations might not have the expertise and skills other local organizations need. They may need help mobilizing resources and using them well. They may need to figure out how to recruit and retain the right people. They may need to strategize how to advocate effectively for legal and regulatory changes. And, they may need support in learning to work with communities in ways

that empower, strengthening the ability to mobilize around common goals.

If we look at individual communities — geographic or centered around a theme or issue—their needs are often specific to the community, and they are needs that evolve over time. *localworks* focuses on strengthening the system that supports the development and empowerment of those communities, whatever might be their specific need. It works through a wide variety of organizations—community-based, NGOs, advocacy groups, faith-based organizations, cooperatives—to ensure that they have access to the type of support they need to work effectively with communities.

If I want to read further about *localworks* theory and practice, are there references I can go to?

[This page](#) lists some reading material that inspired and influenced *localworks* at an early stage. Feel free to e-mail or call us if you have specific requests.

If we have questions about the LOI, can we get further information or clarification?

We will host a webinar soon after the *localworks* launch and are available for scheduled phone calls for missions who have additional questions. Any questions in the meantime can be directed to localworks@usaid.gov

LEGISLATION*

Small Grants Program

(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 I and IO 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 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 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 I 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 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.

(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.

(1) 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.

* Section 7080 of the Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235)

LEGISLATION

Conference Report

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 USAID'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.

GLOSSARY

community

A group of people, not necessarily bound by geography, who come together around common ideas, goals, or interests.

constituent

Member of a community. This term is used instead of “beneficiary,” which connotes a lack of agency, whereas “constituent” implies participation and individual agency.

constituent feedback

This is a more specific and targeted kind of listening—with the goal of obtaining important information on how successfully *localworks*’ partners and the local organizations they support are working to meet the needs, aspirations, and hopes of constituents. Constituent feedback is also critical to learning and adaptive management.

local

Rooted in or indigenous to the host country, rather than internationally or U.S. based.

local actors

Individuals or organizations that are part of a local system. These actors may include government entities, civil society organizations, private firms, faith-based organizations, and academic institutions.

local resource organization

A local organization that can provide resources and services to other organizations. These may include, but is not limited to, civil society organizations, academic institutions, private firms, professional associations, NGOs, philanthropies, and faith-based organizations.

network

Relationships among actors in a system that may facilitate information flow, mobilization of resources, or collective action around a shared objective or interest.

network analysis

Understanding who local actors are, the relationships among them, as well as the rules, regulations, customs, economic, cultural, ethnic, and other factors that may govern their interactions. Because the nature of the relationships among actors is dynamic, network analysis should not be a static, one-time analysis.

resources

Resources include human, social, financial, and physical capital.

system

A set of actors, institutions, assets that are of relevance to a specific issue or challenge.

systems thinking / systems lens

A lens for analyzing how actors, assets, and institutions interact, and the dynamics that influence and govern the system.

Using a systems lens or systems analysis refers to learning everything you can about a specific system. Some of the tools used to learn about a system include:

- Cultural analysis
- Political economy analysis
- Institutional analysis
- Stakeholder analysis
- Gender analysis
- Network analysis

social capital

The network of social connections that exist between people and entities within a society. Strong social capital, shared values and norms of behavior enable ideas and resources flow effectively between people and entities, facilitating collaboration and mutually beneficial action.