

DRAFT



UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Policy for Localization of Humanitarian Assistance

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Cover photo: Farmers use a locally made A-frame in a demonstration plot during a learning group meeting in Kwrite East, Mangwe district, Zimbabwe. The Recover project worked to restore, stabilize, and reinforce food security and household income. *Photo courtesy of CRS*

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Introduction

Why Localization?

Global development and humanitarian challenges are widespread and complex, but also local in nature. For this reason, USAID is renewing our commitment to strengthening local systems and shifting decision-making and power to local communities. USAID recognizes that effective humanitarian and development assistance requires an inclusive approach that centers local actors throughout all aspects of our work. Within USAID, the Bureau for Humanitarian Assistance (BHA) leads localization efforts in the humanitarian sector, grounding this commitment in the essential tenets of local leadership and decision-making. BHA's localization efforts are shaped by a number of guiding principles and strategic objectives, which at their core promote diversity, equity, inclusion, accessibility, and sustainability.

USAID defines localization as the set of internal reforms, actions, and behavior changes we are undertaking to ensure our work puts local actors in the lead, strengthens local systems, and is responsive to local communities.

BHA recognizes that localization goes well beyond funding relationships, and commits to fostering an enabling environment for local leadership in humanitarian assistance, through dedicated investments in capacity sharing, locally-led coordination, continued learning and listening mechanisms, and community-led programming. The international humanitarian community, as expressed in the Grand Bargain and other international discussions, has acknowledged the systematic exclusion of local actors from decision-making roles and a legacy of power imbalance, and has committed to changing the status quo.

In a humanitarian system which has historically situated decision-making in western capitals, localization represents BHA's explicit recognition of the right of communities to inform the critical decisions that impact their lives. Addressing these challenges requires a series of technical and policy changes that reduce barriers to partnership for a wide range of organizations, while simultaneously elevating local voices. At the same time, localization requires a culture shift, including acknowledgment of and active efforts to counter the biases and power imbalances that are embedded in the international humanitarian system and compromise the effectiveness, sustainability, and impact of our work.

Localization means supporting principled humanitarian action that is “as local as possible and as international as necessary,” an explicit commitment to increase funding and capacity support to local partners, made by the US Government as a co-signatory to the 2016 Grand Bargain. In 2021, a revised Grand Bargain “2.0” further elevated the role of localization within the humanitarian community.

Localization provides an opportunity to work across the humanitarian sector to improve the overall effectiveness and efficiency of humanitarian assistance. With humanitarian crises growing in both frequency

While “Local Actor(s)” is used throughout the document to denote national, sub-national, and community-level institutions, organizations, private sector entities, and informal structures, this document follows the USAID policy guidance that “local” is not a monolith. This includes acknowledging that defining “local” is a complex undertaking and that there are various levels of “local,” from national to subnational, to communities and individuals with specific capacities as well as vulnerabilities and risks. Local actors are interconnected, with particular roles, relationships, and other dynamics that can be affected by BHA and partner interventions.

and complexity, needs are at an all-time high. The humanitarian community is responding to these crises amid the threats of climate change, food insecurity, and the lasting impacts of the COVID-19 pandemic, each of which exacerbates humanitarian needs and disrupts resilience and development efforts. In order to meet the humanitarian imperative, the international community must work more effectively and efficiently—giving local actors primacy in humanitarian action and ownership in the process of reshaping the humanitarian ecosystem to respond to today’s challenges while preparing for tomorrow’s threats.

While arguments for pursuing localization efforts vary widely, from ethical, to economic, to utilitarian—evidence suggests that in many contexts, humanitarian action is more timely, cost-effective, and efficient when locally driven, as local actors possess the knowledge, the networks, and the political and cultural awareness to deliver results on the ground. In addition, local actors typically have greater access to affected populations by virtue of geographic proximity and in cases where conflict dynamics may restrict access for international actors. Local actors are often first to respond to crises, remaining in the communities they serve before, during, and after emergencies.

A Note on Localizing Development vs. Localizing Humanitarian Assistance: *While ‘development’ and ‘humanitarian assistance’ have distinct objectives, USAID’s [locally led development spectrum](#) mirrors good practice in locally led humanitarian response. At the same time, humanitarian contexts and BHA’s funding mandate present distinct challenges to and opportunities for localization, in part due to the following factors:*

- **Speed of Response:** *Rapid-onset emergencies require BHA and its partners to respond quickly and efficiently to humanitarian needs; fast-paced and often short-term responses are not conducive to forging new partnerships. BHA must invest in partnership building during steady-state in order to leverage local partners effectively during a response.*
- **Unique Capacity Needs:** *Many of BHA’s local partners do not consider themselves to be “humanitarian” organizations outside of emergency settings, and may primarily focus on sector-specific development activities or, alternately, work across the nexus. BHA must invest in both organizational and operational capacity, supporting institutional development and humanitarian response/coordination expertise, as well as consider opportunities to support local NGO networks and coalitions.*
- **Humanitarian Coordination Architecture:** *Humanitarian Country Teams (HCT), humanitarian clusters, and other coordination and policy-setting structures can reinforce power imbalances in decision-making by limiting who has a seat at the table. BHA must consider the role of partners (or lack thereof) within this system, advocate for increased local representation, and consider opportunities to resource this engagement.*

Further, local organizations are often deeply committed to the long-term interests of their communities, contributing to the sustainability of BHA assistance and capacity-sharing¹ activities.

For additional history and analysis on the role of localization within the humanitarian sector, see [Localization: A Landscape Report \(2022\)](#), developed by the Tufts Feinstein International Center with BHA support.

¹ Reflecting an evolving understanding of capacity, BHA is moving toward the language of *capacity sharing*, based on recognition of existing community capacities and the need to prioritize mutual learning between local and international actors, where local actors share knowledge with international actors and vice versa.



IOM, with funding support from USAID/BHA and in partnership with the Technical Education and Skills Development Authority (TESDA), deployed female student carpenters to build homes for typhoon Odette affected families at Cagniog Transitional Site, Surigao City, Philippines.
Photo courtesy of IOM.

Scope of this Localization Policy

This localization policy outlines BHA's phased trajectory for advancing the localization of humanitarian assistance over the next five years, from 2023 through 2028. It provides high-level guidance and strategic direction for the bureau, and applies to both humanitarian response and early recovery, risk reduction, and resilience (ER4) efforts. It also seeks to establish a common strategic vision for the localization of humanitarian assistance across the bureau, with coherence across messaging, policies, guidance, and operations. This policy is not a fully developed strategy with a related results framework, nor is it a detailed action plan. **Rather, the policy is intended to articulate common principles and objectives for localization across the bureau, guiding BHA offices in developing context-specific strategies, plans, and actions.** BHA will revisit this policy periodically, in order to gauge progress against the Strategic Objectives, revising as necessary.

Balancing Competing Interests

Many current practices and ways of working within the bureau, agency, and larger humanitarian system are not fully compatible with the localization agenda. BHA's funding requirements and application systems are complex, and local actors often do not have the support or access to resources as their international counterparts to manage these systems. By comparison, international actors often have dedicated business development teams focused specifically on fundraising and resource mobilization. In addition, language and cultural barriers can pose additional challenges for local partners. Together, these factors contribute to a system in which it is easier for USAID to provide assistance through mostly international NGOs (INGOs), public international organizations (PIOs), and other intermediaries. Achieving the short-, medium-, and long-term objectives outlined in this policy requires BHA to be realistic about what is achievable, but also transformational in its vision for localization. This policy aspires to balance BHA's interests in serving as effective stewards of USG resources, and as effective and principled responders to the humanitarian needs of the world's most vulnerable. Key to the policy's success will be the willingness of staff and leadership to think outside-the-box, take measured risks, and accept and learn from successes and failures.



Guiding Principles

Beneficiaries and part of the team that runs Esperanza de Jesus II feeding center in north Lima, Peru. This is one of 13 centers supported by World Vision's feeding center program, funded by USAID. *Photo courtesy of World Vision*

The internationally recognized humanitarian principles of humanity, neutrality, impartiality, and independence underpin BHA's humanitarian assistance. BHA translates these commitments into its decision-making and advancement of the humanitarian imperative within the USG and international sphere. Within the USG interagency, USAID represents and asserts the need for principled humanitarian action to ensure that assistance reaches populations most in need, without bias or prejudice, while adhering to the highest standards of human rights, respect, and dignity. Adherence to these principles enables BHA and humanitarian partners to deliver assistance to those in greatest need, including in hard-to-reach areas, and promote the safety and security of aid workers, particularly in insecure environments.

Humanitarian principles serve as the foundation for all of BHA's work, including its localization efforts. BHA recognizes arguments that suggest local actors and government counterparts may be unable to act in a neutral manner consistent with humanitarian principles, given they are embedded in the context, particularly in complex emergencies and conflict situations. However, recent research suggests that these allegations lack a solid evidence base and are a broad generalization.² Regardless, BHA recognizes that some contexts are more conducive to advancing the localization agenda than others. As BHA works to strengthen and sustain partnerships with local actors, it will undertake careful analysis and adopt context-appropriate modalities that do not compromise humanitarian principles, the aid we are providing, or the safety of humanitarian personnel and people affected by crisis.

² Tufts University Feinstein International Center, "Local Humanitarian Action: Background, Key Challenges, and Ways Forward" (2018).



Building on a solid foundation of humanitarian principles, BHA has adopted a set of guiding principles for the localization of humanitarian assistance that are enduring, irrespective of strategic or technical changes in BHA policies and practices. These principles align with BHA’s values and vision, reflecting a commitment to equity and representation in all partnerships, and prioritizing field-level leadership in localization action planning. **BHA staff should ensure that these Guiding Principles are reflected in all aspects of policy implementation.**

GUIDING PRINCIPLES



EQUITABLE PARTNERSHIP



The principle of equity, in which all parties to a partnership contribute and receive benefit from it, undergirds all aspects of BHA's localization efforts. Equitable partnerships are transparent, collaborative, based on mutual responsibility, and require accountability from all stakeholders. In practice, BHA will: transparently communicate and share timely information with local actors and communities; approach local actors and communities with the assumption of existing capacity and expertise; strive to eliminate barriers to partner success; seek avenues for placing local actors at the center of humanitarian assistance; foster mutual learning, understanding, and responsibility; and challenge biases and assumptions about local partners.

FLEXIBILITY AND CONTEXT SPECIFICITY



Localization is by definition decentralized. Specific objectives, approaches, and metrics of success must be defined in context, based on the type of disaster, humanitarian needs, geographic location (including urban vs. rural settings), patterns of displacement and forced migration, partner landscape, existing conflict dynamics, risk and security considerations, and cultural and linguistic concerns. Even within a single humanitarian response setting, there may be nuanced contextual differences across geographic locations or sectoral interventions. This policy aims to be sufficiently flexible and adaptable to a range of dynamic and complex environments, while upholding humanitarian principles across contexts.

DO NO HARM



BHA recognizes that transforming entrenched ways of working and significantly increasing the flow of resources to local organizations may lead to unintended consequences. In some contexts, these may include the potential transfer and increase of risk for local partners, communities, and the people we aim to serve. BHA will use a “Do No Harm” lens to critically anticipate and evaluate the impact of changes in policies, approaches, and resource flows to all of these population groups. When identifying local partners, BHA will consider the needs of vulnerable and marginalized groups, mitigating any potential for these groups to be further disenfranchised. In addition, BHA will adopt a conflict sensitivity lens, ensuring that engagement with local actors does not inadvertently exacerbate existing conflicts or communal tensions.

SUSTAINABILITY



The development of local partnerships and centering of local actors at leadership levels within the humanitarian system must be sustainable over the long-term. Too often, donors and intermediary organizations enter into partnerships of convenience with local actors, without a strategic approach to long-term partnerships. In implementing this policy, BHA will intentionally place long-term sustainability at the forefront of partnership development. This will require longer-term strategic investments, multi-year funding, inclusion of full cost recovery in subawards³ to local actors, and capacity sharing initiatives that respond to both current and future needs.

SYSTEMS APPROACH



BHA will adopt a local systems approach to localizing humanitarian assistance, recognizing that it is not only the landscape of actors but also the relationships between actors that jointly produce a particular humanitarian or development outcome. Local systems can be national, sub-national or community-wide in scope. Systems-thinking helps BHA and its partners identify potential leverage points to strengthen local action, while also anticipating and preventing unintended consequences. BHA intends to invest in local systems strengthening, fostering initiatives that build the capacity of local system actors, strengthen linkages where appropriate, and fostering an enabling environment for local humanitarian action that ensures that voices of local and especially marginalized groups are included.

DIVERSITY, EQUITY, INCLUSION, AND ACCESSIBILITY (DEIA)



BHA acknowledges the legacies of racism, exploitation, sexism, discrimination, and disempowerment that have affected international development and humanitarian systems, and continue to influence decision-making processes and access to resources. The bureau's commitment to localization is a commitment to the equitable inclusion and representation of diverse and underrepresented groups, the composition of which will vary by context, but include people with disabilities, youth, LGBTQI+, religious, racial, and ethnic minorities, including members of indigenous communities, women, and other groups. Inclusion refers to efforts to promote partnership and leadership of these groups at all levels of the humanitarian program cycle and within BHA itself, particularly with regards to identifying and selecting staff with diverse backgrounds and experiences.

³ BHA generally provides funding in the form of assistance instruments (awards), and not in the form of acquisition (contracts). At times BHA's intermediary partners may issue contracts to local partners. However, for ease of reference this policy uses the term award and subaward, as a catch-all for funding support provided by BHA.



Graduation of 48 Community Health Agents trained under the national guidelines on Community Epidemiological Surveillance in the Context of COVID-19, in Ecuador as part of local capacity development efforts. *Photo courtesy of ADRA.*

BHA's Strategic Approach to Localization

Goal

The goal of BHA's localization efforts is to create a system that places local actors at the center of principled humanitarian assistance, fostering local leadership and leveraging local voices, knowledge, and networks to more effectively deliver life-saving assistance while fostering resilience through collaborative and inclusive partnerships. Success in BHA's localization efforts is not defined by a funding target, the launch of new processes, or a specific number of local partners. Instead, success is achieved when BHA's ways of working effectively enable local partners to lead sustainable humanitarian planning and response, based on a close understanding of the needs of communities, including all population groups.

Strategic Objectives (SOs)



Strategic Objectives (SOs)

BHA has outlined five prerequisites for achieving this definition of success. These Strategic Objectives (SOs) should guide the short-term, medium-term, and long-term changes needed to equitably empower local actors, strengthen local systems, and facilitate local leadership. **All BHA localization efforts should align with these objectives.** BHA partners may view these SOs as indications of measures that BHA will take to transform its approaches over the next five years.

In developing these SOs, BHA considered lessons learned and best practices from the experiences of other humanitarian stakeholders. While some of these SOs and desired outcomes address changes specific to BHA, they are broadly rooted in localization objectives and approaches of the wider humanitarian community.

SO 1 – FUNDING AND PARTNERSHIP DEVELOPMENT

BHA awards significant, flexible, and high-quality funding to local organizations.

Funding is one of the most powerful tools BHA has to offer the international humanitarian community, and bureau decisions about resource allocation are a direct reflection of its priorities. To operationalize localization commitments, BHA intends to significantly increase the share of ‘high-quality’ resources directed to local humanitarian actors. This includes increasing funding awarded directly to local actors and, where intermediary awards are appropriate, providing opportunities for increased funding to and engagement with local subawardees via competitive solicitations and award terms. BHA aims to make subaward and other non-direct funding arrangements more equitable, by ensuring local actors are able to recover their full programmatic and operational costs and by making intentional investments in both program implementation and partners’ organizational development and leadership potential.

*‘High-quality’ funding is **predictable** and **multi-year**, allow local partners to plan ahead, **flexible** and **unearmarked** to accommodate shifting needs in dynamic contents.*

This shift in the use of BHA resources will require a significant rethinking of BHA’s business-as-usual processes, prioritization of localization at all levels of the bureau, considerable investments of staff time, capacity sharing efforts with local actors, and changes to BHA-specific and Agency requirements and funding application guidelines. At the same time, the bureau acknowledges barriers to local partnership that are external to the agency, including U.S. government-wide partner registration and screening platforms that can pose hurdles for actors based outside of the US.⁴ BHA will explore approaches to help address these issues.

BHA will need to carefully consider the tradeoffs and changes required to make significant progress on direct funding to local actors, including: 1) enhanced outreach and training for local actors prior to any application processes; 2) the increased award management burden, given that local awards are often smaller and more time-consuming for BHA staff, 3) the need to reform existing local systems, in order to leverage significant operational

⁴ For example: All potential U.S. Government grantees and vendors are required to register in SAM.gov, which currently requires a two-factor authentication login process; some partners report that they are not able to receive a confirmation code as part of the verification process due to their geographic locations. In addition, requirements around US bank accounts can be prohibitive for organizations without U.S. ties.

capabilities and networks of local actors, thereby maximizing their speed and effectiveness, and 4) the significant time and resources

SUB-SO 1.1 – ACCESSIBILITY

BHA's funding and funding processes are accessible to a diverse range of partners.

Despite stated commitments to increase direct funding in recent years, BHA and the wider donor community have not made substantial progress in this area. Analysis over the past five years shows that direct funding to local actors has remained largely constant and represents a very small share of BHA's overall funding. Furthermore, BHA's local funding went primarily to those actors working in early recovery, risk reduction, and resilience rather than in humanitarian response. Barriers to direct funding are wide-ranging and often interrelated and compounding. The complexity of BHA-specific guidelines, risk considerations, local partners' limited access to BHA staff, and lack of BHA staff time as well as the need to build up organizational response capacity among local organizations (see Objective 2) are some contributing factors.

BHA is not currently positioned to significantly advance direct funding, without commensurate increases in localization-focused staff, Agreement Officer Representatives (AORs) and other acquisition workforce professionals, as well as significant transformations of its current business processes. For this reason, the bureau will adopt a phased approach:

- In the short term (1-2 years), BHA will identify opportunities to increase direct funding, including in ER4 settings and protracted crises where significant local capacity exists. BHA intends to prioritize funding for these local initiatives during all phases of the budget and program implementation processes. BHA will identify these opportunities in consultation with other donors and partners to avoid redundancy or the risk of overwhelming local partners.
- In the medium- to long-term (3-5 years), BHA intends to pursue more significant direct funding to local actors in concert with changes to staffing, amendments to internal, BHA-specific and Agency funding policies and guidelines, the evaluation of tradeoffs required to increase direct funding; and targeted training and context-relevant outreach to local partners. Under this policy, BHA intends to prioritize funding for local organizations as a part of budget review and program implementation processes, gradually moving toward increased funding to local actors where feasible.

In line with this policy's Guiding Principles, the phased approach recognizes that significantly increasing funding to local partners without addressing underlying process challenges or providing sufficient support may place organizations at additional risk, and potentially lead to unintended negative consequences.

SUB-SO 1.2 – DIVERSITY OF PARTNERSHIP MODELS

BHA advances localization principles through a range of partnership models.

BHA has historically supported local actors via subawards issued by intermediary organizations, primarily PIOs and INGOs. Funding through intermediaries takes place through a wide range of partnership models with local organizations. These may manifest as full partnerships, in which local actors co-lead on program design, implementation, and monitoring, with both partners prioritizing mutual learning. Alternatively, these relationships may be primarily transactional, with the ‘prime’ award recipient seeking only for the local actor to complete certain outputs or tasks that it is unable to complete itself. As such, intermediary relationships can perpetuate power imbalances and transfer of risk which disproportionately disadvantage local actors, or, alternatively, they can advance local ownership by prioritizing local expertise, leadership, and capacity. Funding agreements between intermediaries and local actors are reflective of their relationships—in some cases, these subaward arrangements do not allow for complete cost recovery (e.g., they permit direct costs but exclude legitimate overhead expenses) or duty of care⁵ for subawardees, making it difficult for local partners to grow as organizations, establish needed systems or sufficiently ensure the safety of staff.

Intermediaries can also serve a critical capacity-strengthening role for local actors and/or serve as a mechanism to provide funding to local actors who are not yet able to become direct USAID partners. However, there is significant variation across intermediary models and limited data on the types of arrangements most effective at moving localization forward in specific contexts.

Thus, BHA will need to consider a range of partnership models including, but not limited to:

- direct funding to local actors;
- awards to intermediaries that subaward to local actors;
- support for pooled funds accessible to local actors;
- partnerships and funding to local private sector, including community cooperatives;
- partnerships involving new or underutilized partners;
- awards to regional NGOs based in or near the country of intervention;
- awards to strengthen the capacity and ability of local actors to access and manage donor funding;
- support to local and regional NGO networks;
- training and support for local national disaster management authorities (NDMAs).

As discussed later in this policy, BHA and local actors will co-create and pilot new partnership and financing models.

BHA’s phased approach to advancing localization means that long-term successes are built on the achievement of short-term and medium-term outcomes. ‘Desired outcomes’ outlined in this policy are based on the assumptions that achieved outcomes will persist into the future (i.e., a policy reform achieved in year 3 will remain in place in year 5), and that BHA will devote significant internal resources to advancing this agenda.

⁵ In this context, duty of care refers to an employer’s obligation to protect the health, safety, and well-being of humanitarian personnel.

SO | DESIRED OUTCOMES⁶

Short Term	Medium Term	Long Term
<ul style="list-style-type: none"> Annual budget and program implementation processes prioritize local partner funding. Direct funding to local partners increased where significant local capacity and opportunities already exist. Approaches are piloted to simplify and/or reduce discretionary elements of BHA non-competitive funding guidelines and processes. Increased adoption of competitive, multi-year solicitations with elements specifically focused on advancing local partnerships, including with private sector actors. Local actors have access to training and resources to effectively navigate BHA system. 	<ul style="list-style-type: none"> BHA awards reflect increased direct and indirect funding to local partners. BHA-specific funding guideline reforms minimize or remove barriers to 'high-quality' awards to local organizations. BHA supports a range of partnership models and local partnership mechanisms. Intermediary-based funding mechanisms reflect BHA principles of equitable partnership (e.g. full local partner cost recovery, co-ownership). BHA partner outreach reflects intentional engagement with underrepresented communities (e.g.. women's organizations, indigenous communities) Local partners have increased access to BHA staff, local language training opportunities, and targeted resources to effectively navigate BHA systems. 	<ul style="list-style-type: none"> BHA awards significant, context-sensitive funding to local actors, including substantial increases in direct funding. BHA policies and business processes are accessible for a diverse range of local actors. BHA's partner portfolio reflects the diversity of its operating contexts. BHA-funded partnership models are rooted in evidence, informed by partner-feedback, and scaled where appropriate Local organizations are equal partners in the design, implementation, and management of BHA programs and budgets.
Impact		
<ul style="list-style-type: none"> BHA's responses are more timely and effective More BHA dollars stay in local communities Local communities are better equipped to respond to local needs faster BHA's local partners represent a wider range of communities Greater evidence-base on best practices in local partnerships BHA's intermediaries effectively facilitate local ownership Multi-year awards support local partner capacity Funding can be easily pivoted in the context of shifting needs 		

⁶ In order to meet these desired outcomes, BHA will develop context-specific strategies and action plans that identify concrete measures and designated lead offices or operating units to move this agenda forward.

SO 2 – ORGANIZATIONAL CULTURE AND INTERNAL RESOURCES

BHA has sufficient internal resources in place to advance localization principles, processes, and partnerships.

BHA must significantly build its internal capacity and structures to advance localization across all offices, program areas, geographic contexts, and business processes. Increasing the number and quality of local partnerships, processing a larger number of smaller awards, investing in capacity strengthening appropriate for context, and advocating for processes and structures which empower local actors and communities require significant human and operational resources.

BHA will also invest in its material and process resources to ensure appropriate tools, guidance, and messaging across bureau offices and external partnerships. This will include a dedicated effort to systematically document, analyze, and incorporate lessons learned from current and past partnerships, and leverage internal and external feedback to identify those BHA capacity and resource needs. BHA will adjust its online resources, including internal systems, and outward facing application portals to meet the significant increased investments in local partnerships.

SUB-SO 2.1 - BHA STAFF CAPACITY

BHA has sufficient staff capacity to invest in effective and equitable local partnerships.

BHA's current staffing footprint and management systems are insufficient to effectively realize a bureau-wide localization agenda. For this reason, in line with bureau-wide workforce planning processes, BHA will gradually increase human resources dedicated to and adequately equipped for establishing and sustaining effective and equitable local partnerships, both at headquarters and in the field. While this commitment may require hiring new staff, it will also require leveraging the significant localization experience and relevant expertise among existing staff, particularly those based in the field.

- In the short-term (1-2 years), BHA, as part of a bureau-wide workforce planning process, will assess existing localization skills and knowledge among current BHA staff, and identify existing gaps. Based on this skills and gap analysis, BHA will identify critical localization-focused roles, and the extent to which it needs to either strengthen staff capacity through training efforts or create additional positions and recruit against these. BHA intends to prioritize funding to support these efforts.
- In the short term, BHA will also seek opportunities to share learning and existing expertise (i.e. establish 'localization units' or 'leads' within DC- and field-based program teams and responses, expand localization detail and exchange opportunities).
- As determined necessary by the skills and gap analysis detailed above, in the medium to long term (3-5 years), as part of bureau-wide recruitment and talent management effort, BHA will seek to specifically focus on recruiting staff with experience working with local partners
- In the medium to long-term (3-5 years), BHA will develop creative solutions to leverage internal capacity and external expertise (i.e. develop and launch required practical localization trainings/certifications for all BHA staff, complemented by trainings on intercultural competence, subconscious bias, and community engagement; hire local program partners to provide consultations on localization planning and decision-making).

SUB-SO 2.2 - MESSAGING, RESOURCES, AND POLICIES

BHA's localization messaging, resources, and policies are coherent/consistent across offices, workstreams and aligned with broader agency efforts

Localization commitments closely map with previous agency strategies. While these efforts share a commitment to strengthening the role of local actors, the localization agenda reflects our dedication to practices that embed strategic, policy, programmatic, and budgetary decisions in local communities. BHA recognizes, however, that the preponderance of commitments, shifting language, and gaps between stated priorities and operational realities to date is a source of confusion and frustration for both internal and external stakeholders. BHA staff and partners alike require consistent messaging, resources, and policies around localization in order to advance shared goals.

To support clarity and coherence, BHA will develop internal policies, action plans, and guidance to ensure a practical approach to operationalizing localization within the bureau, helping to ensure that efforts across BHA offices are mutually reinforcing and not operating at cross-purposes. The bureau will also support alignment with fast-moving agency localization efforts, to help ensure that BHA's efforts complement USAID's overall localization agenda.

The development of this policy is an important step in achieving alignment and cohesion. More broadly, BHA will take incremental steps to foster an organizational culture that places a primacy on localization of humanitarian assistance. While culture change takes time, short-term and medium-term steps will work to create a bias for local partnerships, as they become the norm, rather than the exception, in BHA's response portfolio.

SO 2 DESIRED OUTCOMES

Short Term	Medium Term	Long Term
<ul style="list-style-type: none"> • Planning for localization focused staffing and human resource support is included in BHA's workforce planning process. • Existing staff skills and gaps related to localization are identified, and a plan to address these gaps is developed in line with the broader workforce planning process. • Annual budgeting process prioritizes staffing local partnerships, to the extent necessary to meet staffing gaps. • BHA strategic messaging on localization objectives and expectations aligns with agency messaging. • Process established for exchanging and reflecting on local partnership lessons learned. • BHA Localization Resource Toolkit launched. 	<ul style="list-style-type: none"> • BHA teams and responses are staffed with trained localization leads. • Localization, knowledge management, and learning are facilitated by increased staff and systems. • All staff can articulate their team's contribution to localization. • Localization training resources are co-developed by local partners. • Localization toolkits, guidance, and training focused on localization are strengthened through iteration. • Guidance reflects alignment of all internal processes stemming from ADS or regulatory requirements. • Localization resource and program planning informed by field perspectives. 	<ul style="list-style-type: none"> • BHA has robust staffing focused on localization across all operating units and structures, in line with BHA's overall workforce structure. • Significant BHA resources are prioritized for local partnerships across the entire budgeting and programming cycle. • All BHA staff trained in principles of partnership and localization programming models • BHA staff performance is measured against position-relevant localization objectives and expectations • BHA has taken concrete measures to move towards an organizational culture and operating environment that centers the localization agenda throughout all processes, tools, guidance documents, and staff structures.

Impact

- BHA internal planning and decision-making reflects preference for the needs and interests of local partners.
- BHA partnerships reflect investments in institutional (not transactional) relationships.
- Localization 'owned' across BHA.
- Learning from and with partners is embedded in BHA culture.

SO 3 - CAPACITY SHARING

BHA partnerships rely on existing partner capacities and local knowledge, prioritize mutual learning and accountability, and encourage risk sharing.

Local capacity strengthening is a core strategy of USAID's approach to humanitarian assistance, in which those most affected by crises play a critical leading role in defining priorities for readiness, response, relief, recovery and resilience-building. BHA recognizes, however, that current capacity strengthening activities across the bureau vary widely in their approach, resourcing, and impact and that it needs to develop more targeted efforts to support local organizations to reach this goal.

At the agency level, capacity has historically been narrowly defined as an organization's ability to effectively receive and manage USAID funding. Within BHA, partner capacity has additionally been assessed across technical areas and sectors, with only limited consideration for organizational capacity to effectively design and manage programming, mobilize a range of resources, or evaluate operational effectiveness. Investments in capacity building have frequently taken a 'deficit' approach, with a focus on identifying and filling 'gaps'.

BHA will shift from a 'deficits-based' approach to an 'assets based' approach to local partner capacity strengthening, based on the recognition that all local partners have significant existing capacities. These typically include deep knowledge of local systems, real-time information on local needs, the ability to define and assess humanitarian needs among local populations, access to difficult-to-reach populations, and technical expertise relevant to the local context. Frequently, BHA and intermediaries lack these critical capacities and may fail to recognize them as such.

As BHA moves to broaden its understanding of local capacity, the bureau will also shift towards the language of capacity sharing, based on recognition of existing community capacities and the need to prioritize mutual learning between local and international actors. BHA and intermediary organizations have strong knowledge of donor funding requirements, compliance rules, international policies, global coordination structures, and significant global technical experience in a variety of sectors. Capacity sharing will identify opportunities for BHA, intermediaries, and local partners to strengthen each other's respective capacities by exchanging knowledge, information, and skills, in a way that is culturally sensitive and values diverse forms of knowledge.

Under this policy, BHA intends to enhance its capacity support in three focus areas:

- *Organizational capacity*, such as effective internal controls, human resource systems, supply chain and logistics management, fiduciary management and compliance, risk management;
- *Operational capacity*, such as ability to effectively deliver humanitarian assistance consistent with widely accepted technical and operational standards and best practices;
- *Leadership capacity*, such as ability of humanitarian NGO staff and leaders to manage people, work, and response objectives effectively, while also leading and advocating at local, national, and global levels. This includes leading humanitarian response and coordination structures, engaging in collective advocacy, playing strong governance roles, engaging in negotiations, and leading strategic planning efforts.

BHA will also foster international and local systems that enable the development and growth of local partners. The speed and complexity of humanitarian response often leads BHA to default to a short list of established partners, resulting in missed opportunities to leverage the technical capacity and deep community networks of a variety of local partners.

SUB-SO 3.1 - CAPACITY SHARING AWARDS

BHA facilitates capacity sharing through funding and awards to achieve common humanitarian goals.

BHA expects to augment existing capacity sharing initiatives and significantly increase investments in new capacity-focused partnerships and awards, through dedicated initiatives as well as by embedding capacity sharing elements into response programming and intermediary program models. BHA intends to ensure that this funding is accessible to local actors by strengthening advertisement of these opportunities in local contexts (including through translation into local languages), and by increasing formal and direct communication channels between BHA and local actors.

While BHA will elaborate on the details of this expansion through context-specific strategies and action plans, existing opportunities include:

- Explicitly including capacity sharing requirements and incentives into awards to intermediaries via the terms of solicitations for competitive awards (including evaluation criteria, where appropriate), and specific award language;
- Supporting pilot programs to strengthen the organizational, operational, and leadership capacity of local organizations and individuals;
- Increasing investment in research awards that facilitate strengthened partnerships between local actors and intermediaries, with a focus on managing uncertainty and risk in response settings;
- Augmenting investments in current and future local leaders through targeted training and mentorship;
- Funding outreach and additional support (financial, logistical, and administrative) to increase the number and diversity of local actors taking part in BHA-supported technical training.

SO 3 DESIRED OUTCOMES

Short Term	Medium Term	Long Term
<ul style="list-style-type: none"> • Community/partner mapping activities completed in partnership with local actors and local communities. • Competitive solicitations and new partnership award language for local partners and intermediaries includes capacity-sharing language. • Capacity sharing approaches reflect lessons learned from previous / ongoing BHA capacity initiatives. • Capacity sharing approaches reflect BHA FSN perspectives. 	<ul style="list-style-type: none"> • Capacity sharing embedded into all ER4 programming. • Local knowledge embedded in partnership and programming decisions. • SME engagement prioritizes local/regional selection. • Capacity sharing efforts supported by robust monitoring, evaluation, and learning mechanisms. • Local/national institutions and structures of local knowledge incorporated into BHA landscape analyses (i.e. academic institutions, associations, faith communities, local councils, women's groups, organizations of persons with disabilities, private sector entities, local chambers of commerce, etc.). • After-action review processes incorporate reflection/documentation of lessons learned from local partners. • Intermediaries held accountable for local capacity investments. • Program close-out processes reflect robust partner and community reflection and feedback. • BHA TDYs that prioritize engagement with local organizations to facilitate mutual learning. 	<ul style="list-style-type: none"> • Policy, programming, and partnerships reform informed by qualitative and quantitative evidence generated by local partners. • BHA MEAL systems track effectiveness of capacity-strengthening activities. • Policies and programs reflect lessons learned from local partners and communities. • Local actors mentor BHA staff/teams.

Impact

- Programming informed by local knowledge, as this will be more sustainable and effective.
- Increased pool of direct BHA funding recipients.
- Inclusion of diverse groups facilitates greater equity across local partnerships.
- Capacity is understood to be context-specific.
- Program design, application materials, merit reviews, and program evaluations reflect local perspectives.

SO 4 - LOCAL HUMANITARIAN LEADERSHIP

BHA prioritizes equitable local leadership of program design and advocates for field-based decision-making and leadership in coordination structures.

Informed by its guiding principle on equitable partnerships, BHA will foster approaches that place local actors and communities at the center of program design and decision-making, while also advocating for changes that elevate diverse local partners to leadership roles within nationally-led and country-based coordination structures. Local leadership encompasses the ability of local actors to set their own agendas, develop solutions, and bring the capacity, leadership, and resources to make those solutions a reality. In advocating for leadership by local actors, BHA will emphasize the importance of empowering individuals from diverse social groups, rather than simply elevating those that may already be in power at the local level.

Locally-led humanitarian assistance is not a single approach, but a range of approaches through which BHA, its partners, and communities can work together to shift agenda-setting and decision-making power into the hands of local actors. These approaches can be viewed along the spectrum below, ranging from partner-informed ('less locally led') to locally led and managed ('more locally led'). While BHA's current portfolio features examples across the spectrum, the majority of local partnerships are believed to fall towards the left side of the spectrum, with relatively few programs which intentionally delegate power or transition management to local leadership.

In operationalizing its localization commitments, BHA will gradually shift its humanitarian efforts towards the right end of this spectrum, through phased changes that aim to more meaningfully engage local actors in program design, development, implementation, and assessment.



7 The Locally Led Development Spectrum is an instrument that USAID's Locally Led Development Initiative has developed and tested to help USAID and partners think about what locally led development means in practice. The spectrum has been adapted for USAID use from Oxfam America and Save the Children's Local Engagement Assessment Framework.

SUB-SO 4.1 - INFLUENCE OF LOCAL VOICES

Local voices influence country-focused strategies and plans.

A critical aspect of local ownership and leadership is the ability of local actors to define and influence on-the-ground humanitarian assistance strategies across a range of operating contexts, which is grounded in priorities identified by local communities (i.e. rapid response, chronic complex crises, ER4 programming). BHA will seek opportunities to more systematically embed diverse local voices (including those that have been historically marginalized) into planning and decision-making processes, including through co-creation and direct support for locally-led response. In alignment with the agency's commitment to Accountability to Affected Populations (AAP), BHA will adopt participatory processes that enable local voices to shape context-specific strategies and plans, including during annual budget processes, at the outset of rapid onset emergencies, and during chronic crises. Examples include providing local actors with opportunities to influence, shape, and draft portions of BHA strategies and plans; sharing draft strategies and plans for review; engaging in local actor convenings at the national and sub-national level; and undertaking community listening sessions.

BHA will use its leverage and political engagements to influence regional and country-based strategies, policies, and response planning, as well as the composition of national and regional coordination structures. This includes advocating for a more prominent role for local actors and marginalized voices in informing all aspects of the [Humanitarian Program Cycle \(HPC\)](#), including response-specific [Humanitarian Needs Overviews \(HNO\)](#) and [Humanitarian Response Plans \(HRP\)](#). Mindful that each localization approach be context specific, and that humanitarian principles must not be compromised, BHA will also advocate that local actors play more prominent advisory and decision-making roles within Humanitarian Country Teams and [Country-based Pooled Funds](#) where appropriate.

SUB-SO 4.2 - LEVERAGING LOCAL KNOWLEDGE FOR ACTION

BHA fosters processes that are rooted in evidence and that leverage local knowledge and expertise.

In line with the guiding principle on equitable partnership, BHA will strengthen and expand approaches that are led by local knowledge and expertise, while also promoting program complementarity. For instance, BHA will increase its use of co-creation, inviting local partners to lead program design. These efforts will be complemented by policy guidance revisions that encourage pilot support for novel approaches to local engagement and leadership. BHA will also support the expansion of 'Refine and Implement' approaches that afford partners and affected communities the time and space to revisit program assumptions and address unintended consequences. This model provides local actors with significant decision-making authority and influence over program design.

BHA will also incorporate processes and programs that build on the local evidence base, working with local actors to compile information on best practices, lessons learned, and evidence of successful program outcomes. BHA will marshal this evidence to contribute to the bureau's learning agenda and localization resource toolkit. Furthermore, this evidence base will be used by BHA staff and partners at the local level to help inform program learning and adaptation.

SO 4 DESIRED OUTCOMES

Short Term	Medium Term	Long Term
<ul style="list-style-type: none"> • Novel participatory tools for program development and resource management are piloted. • Annual budgeting and program implementation processes prioritize funding for community engagement, co-creation, and refine and implement processes. • An increased number of BHA and partner staff are trained in co-creation methodologies. • Response-specific localization strategies established for chronic crises. • Community engagement strategies reflect commitment to engaging with underrepresented/marginalized groups. • A learning agenda built on local evidence base is established and accompanied by localization focused resources. 	<ul style="list-style-type: none"> • Novel participatory program development and resource management tools are adopted at scale. • Field teams leverage Mission-level co-creation resources. • Increased use of co-creation in program development. • RMT/DART structures include localization focal points or dedicated localization staff. • Co-creation/R&I processes intentionally engage underrepresented or marginalized groups. 	<ul style="list-style-type: none"> • Proven participatory tools for program development and resource management are embedded in structures and processes. • Co-creation is routinely led by local partners. • Localization is embedded in response training.
Impact		
<ul style="list-style-type: none"> • BHA-funded program is more effective and sustainable. 		<ul style="list-style-type: none"> • Responses engage/support a larger number of local organizations.

SO 5 - POLICY LEADERSHIP, ADVOCACY, AND COORDINATION

BHA leverages its influence at the global and headquarters levels to advance localization objectives.

As the largest international humanitarian donor, BHA has the opportunity—and the responsibility—to advocate for sustained and strategic focus of global actors on supporting and expanding localization in the field as a modality to improve the overall effectiveness of humanitarian response. While localization requires national- and community-level engagement, global-level action is required to change the culture, behavior, and systems of international partners in ways that create space for authentic local participation and leadership in the field. By leveraging BHA's position as a top humanitarian funder and leading voice in international humanitarian policy, BHA will work with relevant stakeholders to advocate that the broader humanitarian community prioritize and harmonize localization approaches at the global level. At the headquarters level, BHA will continue to use bilateral meetings with intermediaries to articulate the bureau's localization priorities and press for joint action and advocacy with local partners.

SUB-SO 5.1 - INTERNATIONAL HUMANITARIAN POLICY

BHA helps ensure global humanitarian policy supports localization.

BHA's legacy offices participated extensively in humanitarian reform efforts dating back to 2005 and through the 2016 UN Secretary-General's World Humanitarian Summit, playing a significant role in shaping aspects of today's humanitarian system. Confronted by new and pressing global challenges, BHA will leverage its global position in the humanitarian sector and the momentum from USAID's renewed localization efforts to continue to advocate for updated global policy and operational guidance in the Grand Bargain group, OCHA Donor Support Group (ODSG), UN Executive Boards, Global Clusters, and Inter-Agency Standing Committee (IASC)'s working and consultative groups.

SUB-SO 5.2 - DONOR COORDINATION

BHA coordinates with donors to improve and harmonize approaches to localization.

USAID has supported the Grand Bargain since its inception in 2016, and played an integral role in defining its original commitments. In 2021, signatories reviewed donors' and partners' progress and concluded that to deliver on the pact's original promise, a streamlined 'Grand Bargain 2.0' was needed and should center on the four key pillars of flexibility, predictability, and transparency; equitable and principled partnerships; accountability and inclusion; and coordination and needs prioritization.

Under the renewed commitments, BHA will work within the unique Grand Bargain platform to urge donors to reach consensus on priority goals and associated action plans. In addition, BHA will consider supporting Grand Bargain initiatives that are most likely to close the gap between policy and practice, result in field-level change, and meaningfully align donors' approaches to localization. In the near-term, BHA is reviewing ways to support and advocate for national-level Grand Bargain leadership in countries most affected by crises. As the Grand Bargain 'sunsets,' BHA will coordinate with donors to measure progress under the localization and participation workstreams. If signatories agree that more work is needed, BHA will collaborate with donors and international partners to construct an effective follow-on mechanism that maintains the current momentum around localization and brings to fruition donors' commitments.

Donor coordination in the ODSG, at UN Executive Board meetings, and in preparation for meetings with IASC principals is also critical to the success of localization. OCHA and the UN agency heads together exert tremendous influence on the international humanitarian system. Donors' collective commitment to, definition of, and messaging around localization must be relayed as consistently and frequently as possible in the next year to maintain the system's focus on localization and ensure each UN agency is prioritizing local partnerships and aligning strategies under the collective IASC umbrella.

SUB-SO 5.3 - INTERMEDIARY ENGAGEMENT **BHA advocates for equitable partnership models.**

Complex requirements pose challenges for under-staffed and under-resourced local actors, thereby constraining BHA's and many other donors' ability to fund them in an expeditious manner. The requirements also affect international humanitarian partners, whose risk-management strategies must take into account local partner capacity. Many intermediaries—particularly some INGOs—have enhanced their risk-management strategies in recent years and improved program quality and reach as a result. However, when acting as a prime partner, many PIOs and INGOs continue to transfer risks to local partners without ensuring that adequate internal controls are in place.

Local partners cite risk transfer as a significant barrier to localization and request that intermediaries and donors identify ways to share risk. Further, local partners report that intermediaries may view local actors as contractors rather than as equal partners with knowledge and expertise. Despite concerns about their relationship to intermediaries, local organizations generally agree on intermediaries' necessity, at least until more wholesale change occurs at the donor level. BHA will thus use its relationships with PIOs and INGOs to encourage new models of partnership that hew closely to the original 2007 Principles of Partnership (equality, transparency, results-based approach, and responsibility) but also account for new exigencies and evidence. BHA will encourage intermediary partners to develop partnership frameworks that include such elements as program complementarity and risk sharing with local partners, mutual accountability and learning, and transparent and direct communication. BHA will also encourage additional funding within awards that support additional staffing and capacity building at the local level. BHA is also cognizant of, and will work to address, the imbalance between intermediary and local partner funding amounts under shared awards.

SO 5 DESIRED OUTCOMES

Short Term	Medium Term	Long Term
<ul style="list-style-type: none"> • BHA donor engagement efforts prioritize advocacy in the IASC, donor fora, and within the UN system to include and provide leadership opportunities for local partners in HCTs, local and global clusters, inter-cluster structures, IASC, and other multilateral mechanisms. • National Grand Bargain leadership advanced with BHA support. • Advocacy messaging, targets and key stakeholders, and objectives are clearly articulated. • BHA interagency advocacy efforts explicitly address risk tolerance and policy/regulatory barriers to direct funding. 	<ul style="list-style-type: none"> • USG advocacy efforts reflect BHA localization messaging • Local actors receive support (financial and otherwise) from BHA to participate in global discussions and convenings. • BHA supports local coordination hubs within OCHA • BHA funding directly supports and reflects advocacy priorities 	<ul style="list-style-type: none"> • Local actors play lead roles and have decision-making authority in influential policy-setting bodies, global and national coordination structures, and in other global convenings and policy dialogues. • Culture change within the international humanitarian architecture that assumes leadership roles for local actors as the norm, rather than the exception.

Impact

- Increased representation of local partners in humanitarian coordination structures



U.S. Ambassador to Albania, Yuri Kim, visits a USAID/BHA-supported Red Cross Emergency Operations Center (EOC) in Tirana. The project builds Red Cross disaster response capacity and establish Red Cross EOC's throughout southeastern Europe. *Photo by USAID Albania*

Advancing Localization Across All Dimensions of Humanitarian Assistance

BHA seeks to expand its localization efforts across all dimensions of humanitarian assistance. The ability of BHA to form direct local partnerships varies across the different dimensions and contexts. BHA staff should consider these contextual differences and design strategies, Action Plans, interventions, and programming to reflect these distinctions.

Early Recovery, Risk Reduction, and Resilience

While BHA's ER4 programming encapsulates a broad spectrum of work that can vary greatly in scope, in general they are longer-term in duration than response programming, and are often implemented during periods of steady-state, as opposed to during the height of a crisis. With less pressure to mount an immediate on-the-ground response, BHA and local partners have enhanced opportunities to engage in deliberate discussions around building strategic, long-term partnerships, as well as adopting co-creation and R&I models.

BHA has used these opportunities to build local partnerships, historically focused around disaster risk reduction (DRR), and now increasingly in the resilience space. Local actors are particularly effective in designing and implementing DRR programs, as these programs often require substantial community involvement and trust, significant understanding of the local context, long-term presence in the program area, and strong relationships with local governments and civil society organizations. In addition, effective DRR and resilience programs typically require multi-year investments and the sustained presence of local actors enables them to implement over longer time horizons and to ensure that these initiatives are sustainable and do not conclude with the end of the program.

In BHA's experience, there are a number of models for building DRR and resilience focused local partnerships. BHA staff and partners should consider these models and identify best practices, allowing both to build on these approaches and identify new approaches that can be taken to scale. For example:

- Use of co-creation and R&I approaches in designing DRR and resilience innovations, as these provide space for local partners to bring innovative design approaches to the table;
- Co-creation of initial concept notes with local actors at the field level, vetted in the field, and then submitted to headquarters;
- Funding of awards that begin with an INGO or PIO, then transition to local organizations for sustained implementation;
- Fixed amount awards directly with local actors to implement specific preparedness and risk reduction activities;
- Use of different funding structures, such as an umbrella mechanisms awarded to an organization that then issues subawards to local partners;
- Explicitly building in local funding opportunities within Resilience Food Security Activities (RFSAs);
- Efforts to strengthen community and household resilience, which takes place long-term at the very local level;
- Seeking more innovative partnerships capacity strengthening partnerships, building in new funding and partnership models between INGOs and local actors.

Rapid Response

In rapid onset scenarios local organizations can be particularly effective due to their deep networks in local communities, ready access to information, and the ability to mobilize local resources. They are particularly effective when paired with larger international organizations that have ready access to large quantities of supplies, logistical capacities, technical expertise, and resources.



Volunteers deployed to respond to the needs of those affected by the Severe Tropical Cyclone Yasa in Northern parts of Fiji through provision of non-food items such as tarpaulins, dry clothes & cooking utensils. *Photo courtesy of Fiji Red Cross Society*

However, BHA faces a host of challenges in forming local partnerships in sudden onset environments. During rapid response scenarios, it can be difficult for BHA to identify and develop new local partnerships. Developing these partnerships takes time, and provision of funds to local organizations can be difficult, as new partners may not be familiar with U.S. Government funding requirements or BHA funding guidelines and processes. Under the time pressure of an urgent response, BHA staff often do not have the time to adequately support new partners in applying for BHA funding.

Similarly, local partners face constraints, particularly in very large-scale disasters. At times local partners may require additional lead time to begin implementation, as they may not have access to internal financial resources to kickstart programming, and they may not be able to quickly draw on a ready pool of technical or surge staff. BHA will need to consider these dynamics, and work to address them. For example, BHA may identify mechanisms to provide advance funding to local organizations with minimal paperwork. Similarly, BHA may be able to create staff augmentation schemes, either by directly seconding BHA staff with specialized expertise, or working with large INGOs and PIOs to second their staff.

Because new local partnerships may be difficult to form in these contexts, BHA will work with local partners through a number of approaches:

- In response to a Declaration of Humanitarian Need (DHN), provision of rapid, small-scale funding to local organizations (often a local Red Cross or Red Crescent chapter);
- Leveraging existing steady-state partnerships and pivot them quickly to response programming. This may entail rapid modification of existing awards to incorporate a response element;
- Pre-identification of potential local partners during steady-state, including the private sector for supplies and logistics;
- Funding intermediary organizations, which can quickly kick-start activities and move resources to local actors.
- Establishment of country-focused or regional Rapid Response Funds, which are most commonly led by an intermediary organization and can be used to quickly provide resources to local actors following an emergency

Protracted Crises

In protracted crises, particularly in chronic complex crises, international actors face significant constraints in delivery of humanitarian assistance, including pervasive insecurity, changing lines of control; humanitarian access challenges; enhanced organizational risk and security policies; host government restrictions and other bureaucratic impediments; and restrictive sanctions regimes. While local actors may face similar barriers, their sustained presence, community networks, connections to local governments, and understanding of changing lines-of-control enable them to deliver assistance more effectively in areas inaccessible to international actors. Furthermore, as protracted crises become even longer in duration, the humanitarian community has enhanced opportunities to shift from short-term international assistance to multi-year assistance led by local actors.

Due to these factors, in many contexts the international humanitarian community relies heavily on local actors to reach hard-to-access populations. Despite this reliance, local actors have generally not received their fair share of funding and decision-making authority. Furthermore, full cost recovery is not consistently included in subawards to local partners, posing challenges to the long-term viability of these organizations. These issues are particularly inequitable considering the significant degree of risk (e.g., security, programmatic, financial, legal, reputational, human capital, and information technology) borne by local actors.

BHA recognizes that in conflict settings, there are often ongoing conflict mitigation and dispute resolution efforts, which are distinct areas of programming that can complement humanitarian action. While BHA does not explicitly undertake conflict mitigation programming, it recognizes that humanitarian efforts can contribute to increased resilience and protection of at-risk communities, and strengthen systems to cope with conflict and violence. Thus when engaging with local actors in a protracted crises marked by conflict or inter-communal strife, BHA will undertake a conflict assessment, examining the likely outcomes of BHA engagement through a conflict sensitivity lens. This analysis must demonstrate how social dynamics, group identities, and governance and decision-making structures affect local communities, and how actions by local humanitarian actors can help mitigate existing tensions.

By relying on this policy's Guiding Principles and adhering to our commitment to humanitarian principles, BHA will develop new models of local partnership in protracted crises, premised on the principle of Equitable Partnerships. Examples include:

- Programs fostering community-based locally-led program design and budgeting, using a range of co-creation approaches;
- Rapid response mechanisms (RRM), under which a prime recipient (e.g. intermediary, local NGO network) can quickly provide subawards to local actors to meet evolving needs, particularly in non-permissive areas;
- Enhanced use of fixed amount awards, as they reduce some of the administrative burden and record-keeping requirements for both recipients and the Agency;
- Intentional efforts to bring local actors to convenings and trainings hosted outside of conflict zones, giving local actors access to knowledge and a respite from the daily challenges of operating behind the front lines.

Given the security risks faced by local staff members, BHA will encourage organizations applying for BHA funding to incorporate duty of care provisions into their applications, including in subawards to local actors from intermediary organizations.



A Syrian woman bakes traditional bread in an earthen-kiln at a refugee camp on the outskirts of the town of Zahle in Lebanon's Bekaa Valley. *Photo by Joseph Eid/AFP.*

Additional Considerations

Addressing Risk

As discussed in earlier sections of this policy, donors' risk-management requirements may limit the ability to directly fund local partners. These requirements remain in place to mitigate donors' legal, fiduciary, and reputational risks, and in the case of BHA, are USG requirements. In order to receive donor funding international and local partners must employ similarly sophisticated risk management strategies, particularly in conflict environments. These strategies, if not fully formed, can create new operational and ethical risks for organizations in the field.

Operationally, two concerns arise when partners address their security, legal, and fiduciary responsibilities: first, the administrative burden on partners who receive donor funding is significant and, if the organization does not adequately budget for additional staff and resources, may negatively affect program implementation, monitoring, and evaluation; second, in adequately managing risks, partners might compromise their duty-of-care and impartiality principles. Program criticality—the concept that operational partners must accept some residual risk to save lives—is often overlooked when INGOs and PIOs develop risk management strategies that do not take into account local organizations' internal capacity.

As previously noted, local partners who seek direct donor funding will remain at a disadvantage as long as they lack the support and capacity to develop risk mitigation and management strategies. Thus, the central question for donors who support localization and aim to expand their local partner base is: how can we ensure effective risk management practices on the ground, while still ensuring accountability and inclusive humanitarian programming that aligns with this policy's guiding principles?

BHA will closely evaluate these questions, guided by this policy's principles and objectives, and simultaneously engage other stakeholders to consider realistic solutions. Ultimately, BHA recognizes that all humanitarian actors face risks, but risks may disproportionately affect local partners, resulting in adverse impacts on local populations, especially marginalized groups. The bureau will therefore include in its analysis a close review of feasible risk-sharing approaches that enable rather than hinder effective humanitarian response.

Strategic Alignment

Recognizing the need for collective action from a broad coalition of partners, BHA's localization efforts, including this policy, complement and align with USAID's, the USG's, and the international humanitarian community's overall localization objectives. BHA also seeks linkages and integration with mission and embassy strategic approaches, with approaches by other USAID operating units in Washington, DC, existing local partner networks, as well as alignment with host country interests where appropriate. By carefully considering the interplay between our localization work and other agendas, we avoid working at cross-purposes, duplicating efforts, and wasting time and limited resources.

Within BHA, this policy works in concert with BHA's Humanitarian Action Policy, the ER4 Strategic Framework, and the DEIA policy to fulfill the bureau's humanitarian mission. Within USAID, this policy complements the USAID Vision for Localization, the Local Capacity Strengthening Policy, Acquisitions and Assistance (A&A) Strategy, the Agency Risk Appetite Statement, the Climate Change (2022-2030) Strategy, the Private Sector Engagement Policy, and the DEIA Strategy. Operationally, BHA will seek to align its localization plans and actions with the agency's New Partnership Initiative and USAID missions, bureaus, and operating units.

As detailed earlier in this policy, BHA's localization efforts are closely linked to the international humanitarian policy agenda, including the Grand Bargain, the ICRC/IFRC Climate and Environmental Charter for Humanitarian Organizations (which has local empowerment as one of its guiding principles), IASC localization efforts, and efforts under the Humanitarian-Development-Peace (HDP) nexus.

Impacts of Climate Change

Addressing the impacts of the climate crisis is among USAID's top priorities over the next decade. The development of local partnerships is a key feature of USAID's [2022-2030 Climate Strategy](#), which details a comprehensive, whole-of-agency approach to advance equitable and ambitious actions to confront the climate crisis. Effectively addressing the climate crisis requires action at all scales. When positioned within an environment that enables local initiative and creativity, local actors can be particularly effective, as climate impacts are felt at local levels and require local, context-specific actions.

Local actors feature prominently in BHA's efforts to address the impacts of climate change, which target the communities and households most vulnerable to severe climate impacts. These impacts are often very localized in nature, with impacts differing greatly between local geographic contexts. Local actors are often best positioned to understand which programs and interventions will be most suitable in a local geographic context. In supporting local actors, BHA will adopt a local systems approach, considering the interconnected roles of local organizations, civil society, international actors, local and national governments, academic institutions, and the private sector.

Local Private Sector Engagement

As expressed in USAID's [Private Sector Engagement Policy](#), engaging the private sector in both development and humanitarian assistance is a key agency priority. At the local level, businesses and private sector entities can play key roles in both response and ER4 contexts. They often recognize the importance of fostering community resilience to disasters and crises, and may have influential networks and connections that allow them to establish public-private partnerships with local civil society and local government. Furthermore, private sector entities have expressed an interest in working with USAID for a number of reasons, including access to funding and co-financing, increasing the sustainability of supply chains, opportunities to innovate new products or business models, and avenues to improve capabilities by expanding skill sets and expertise.

BHA's approach to collaborating with the private sector at the local level will evolve over the next several years. BHA will seek to engage with local private sector actors in ways that are mutually beneficial and are premised on win-win propositions. In doing so, BHA will be careful to ensure that local private sector partnerships do not crowd-out partnerships with local NGOs or civil society organizations. Under this policy, BHA will seek to:

- Build on existing private sector partnerships and networks, including operational partnerships;
- Clarify the roles and expectations of private sector actors;
- Select pilot countries to prioritize private sector engagement and foster innovation;
- Create an evidence base, learning agenda, and community of practice;
- Expand the use of public-private co-creation processes.

These are initial areas in which BHA will focus its efforts in the short to medium-term. Longer-term, BHA will work with local private sector actors to build resilience at a systems level.

Localization in Practice

This policy will serve as a guide for BHA staff and partners in implementing its localization agenda. Moving forward, BHA will implement this policy through comprehensive strategies and action plans, build its evidence base, and strategically communicate its efforts to help influence broader action.

Action Planning

BHA will develop a range of context-specific Localization Strategies and/or Action Plans. These Strategies and/or Action Plans will delineate clear programs, actions, and metrics, targets and indicators to achieve the policy's Strategic Objectives. They will also identify opportunities and constraints within the operating context, as well as changes and resources required to implement the actions. This policy does not prescribe the scope and content of the Strategies and/or Action Plans, which will be left to the discretion of BHA offices and operating units. These strategies and plans may be geographic in scope or thematic in nature.

Informing an Evolving Approach

As BHA implements this policy, it will steadily build on the already existing evidence-base to further inform BHA's evolving approach to localization. To do this, BHA will intentionally hold local partner convenings, hearing directly from local voices about successes and failures, and challenges and opportunities. These convenings will help in the development of best practices. Furthermore, BHA will regularly engage in dialogue with intermediary organizations and other donors to hear from their localization efforts and experiences.

These various conversations can help build upon the existing body of knowledge, enabling BHA to refine its approaches over time. In doing so, BHA will use adaptive management techniques to ensure that planning and programming reflect evolving realities. BHA will share this body of knowledge with other parts of USAID, thus contributing to a broader learning agenda.

BHA is also investing in research to better understand the challenges and enablers for translating localization commitments into action. BHA will continue to support studies that look at multifaceted approaches to localization, as well as successes and failures in different contexts.

Building on these various efforts, BHA will create a deliberate learning agenda for its staff. To support this agenda, BHA will build a library of resources, including programmatic and after action reviews, analytical literature, operational guidance, and implementation toolkits. In addition, BHA will distill lessons learned from pilot programs and initiatives, to help steer future efforts. Finally, BHA will work with local partners and intermediaries to marshal their evidence-base in building this library of resources.

Pilot Countries and Initiatives

As part of its effort to build the evidence base, BHA will identify pilot countries to roll-out holistic localization strategies and plans. BHA will identify these pilot countries within the first year of implementing this policy, and then will work closely with local and national actors to co-create pilot processes and programs over the next several years. Using co-creation and other program design approaches, BHA will intentionally seek innovative solutions generated by local and national actors, and provide them with programmatic decision-making authority.

Some examples include piloting new partnership and funding models; initiatives focusing on strengthening the enabling environment through a systems approach; long-term multi-year resilience programming led by local actors; enhanced use of co-creation and R&I models; new capacity sharing approaches; and driving locally-led innovation.

Communication

In order to influence global action, BHA must communicate its commitment to localization and the ways in which it is implementing this agenda. BHA will use all the tools and resources available to build support for localization. This includes communicating success stories and examples, strategies and plans, engagement in local and global dialogues, and increases in funding. BHA will produce infographics, articles, and videos which will then be disseminated via social media and other online platforms. BHA will work with communications departments of a range of humanitarian actors, to ensure consistent messaging – with the aim of creating global discourse that advances localization.

Holding Ourselves Accountable

BHA is committed to implementing this policy and ensuring alignment with its Guiding Principles as well as humanitarian principles, and will hold itself accountable for progress measured against each SO's Desired Outcomes. While this policy does not identify specific targets or metrics, BHA's senior management may choose to establish qualitative or quantitative metrics at a later date.

To foster accountability, BHA will issue an internal summary report, on an annual basis, detailing progress and gaps. This report will also highlight constraints and opportunities for future action.

BHA offices and units implementing context-specific strategies and Action Plans may choose to establish 'results frameworks' with clear targets, indicators, and metrics. Because this is a labor-intensive process, this will be left to the discretion of each office and operating unit.

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