LOCAL CAPACITY DEVELOPMENT POLICY

Background and Rationale

Local capacity development programming is a foundational component of USAID's work to foster sustainable results across all technical sectors and country contexts. Effective local capacity development can also address underlying factors of fragility, support local humanitarian response systems, and strengthen resilience to shocks and stresses, ultimately supporting countries to prevent, mitigate, and recover from crises.

Despite the importance of USAID's local capacity development programming, there has never been a unifying, USAID-wide policy on this common area of practice. For this reason, in 2020, USAID launched the development of a new Agency-wide policy on local capacity development. With this policy—and within the context of Agency and U.S. Government strategic priorities—USAID aims to establish the core principles of effective local capacity development oriented towards achieving and sustaining results, while also creating an overarching framework that supports greater consistency and coherence across countries, contexts, and sectors.

VISION

With the new capacity development policy, USAID will prioritize local capacity development investments that improve the performance of local actors—individuals, organizations, and networks—to jointly produce sustainable development outcomes. The forthcoming policy will take a principles-based approach to ensure it is relevant and applicable across contexts, initiatives, sectors, and Agency leadership priorities.

> "USAID will shift from viewing successful local capacity building as an organization's ability to receive and manage federal funding directly to measuring success by the strengthened performance of local actors and local systems in achieving and sustaining demonstrable results."
>
> *-USAID Acquisition and Assistance Strategy (2018)*

EQUAL EXCHANGE

In addition to articulating the principles of effective local capacity development, USAID intends to:

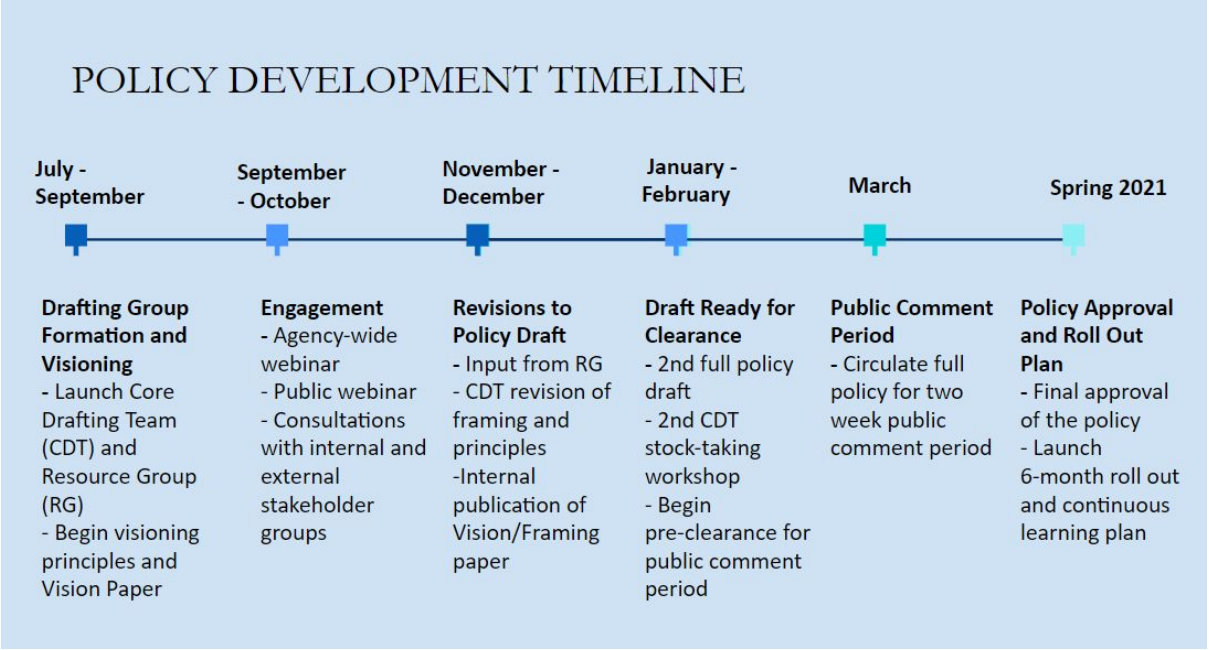
- **Clarify key definitions** related to local capacity development, and articulate capacity development for effective humanitarian assistance and sustainable development outcomes.
- **Provide a rationale** for choosing to invest in local capacity development, with a focus on improving the performance of local individuals, organizations, and networks.
- **Describe change management roles, responsibilities, and requirements** for supporting USAID's shift towards adoption of the policy.

LOCAL CAPACITY DEVELOPMENT PRINCIPLES *(DRAFT)*

The local capacity development policy is guided by seven core principles:

1. Acknowledge that the development outcomes produced by a local system are shaped by connections among local actors at different levels and scales.
2. Recognize and develop the diverse capacities of local actors.
3. Respond to local priorities.
4. Take an asset-based approach.
5. Be mindful of, and mitigate, the unintended consequences of our engagement.
6. Nurture local ownership of capacity development through partnerships based on mutuality.
7. Measure performance and monitor for improvement over time.

TIMELINE



CONTACT INFORMATION

Please reach out to lcdpolicycomments@usaid.gov with feedback, resources and any examples of local capacity development to share.