

Amb. Samantha Power
Administrator
U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, DC 20004

Development and Humanitarian Community Calls on USAID to Set a Clear, Tight, Agency-Wide Definition of Local Entity for Its Localization Work

Dear Administrator Samantha Power,

We, the undersigned international development and humanitarian organizations, celebrate Administrator Power's vision of a more locally led future for foreign assistance, as laid out in her address at Georgetown University in November of 2021. To realize these reforms with transparency and accountability, we recommend that USAID create a clear and consistent definition of "local entity," which eliminates the category of "Locally-Established Partners" in all current or pending regulations.

Setting a USAID definition of "local entity" applicable to all Bureaus and initiatives would increase the Agency's ability to track progress towards the laudable goal that 25% of USAID's funding will be awarded to local entities by 2025. Inconsistent definitions of "local" across various USAID initiatives mean it is currently far too complicated to measure funding going either directly or indirectly to local development and humanitarian entities.

Moreover, in that overarching definition of "local entity," organizations that currently qualify as "Locally-Established Partners" or "LEPs" under the New Partnerships Initiative should not be counted as local entities. Including the LEP category as local would allow organizations that are actually international to access funding specifically geared towards national- and community-based organizations. It would also allow USAID to count LEP awards towards its localization targets, making the 25% goal easier to reach, but far less transformative. We note that counting sub-grants under contracts or awards as 'local' would tend to undermine Administrator Power's goals in the same way.

The double-impact of service delivery and sustainability that Power highlighted in her Georgetown speech is much more likely to be achieved by working through truly local entities. There is convincing evidence demonstrating that foreign assistance is more likely to be effective, with lasting results and strengthened local systems, when it is driven by local organizations and local priorities. As USAID takes steps to implement this bold vision for inclusive development, the undersigned organizations stress the importance of doing so through the principles of aid effectiveness, accountability, and sustainability

Signed,

American Jewish World Service

CARE USA

Corus International

Global Communities

Humanity & Inclusion

Innovations for Poverty Action

Islamic Relief USA

Nuru International

PAI

PATH

Plan International USA

Save the Children US

Women for Women International

Asylum Access

Catholic Relief Services

FHI 360

Helen Keller International

Humentum

IntraHealth International

Mercy Corps

Oxfam International

PartnersGlobal

Physicians for Peace

ReSurge International

The Hunger Project

Women's Refugee Commission

CC:

Paloma Adams-Allen, Deputy Administrator

Colleen Allen, Assistant Administrator, Bureau for Management

Michele Sumilas, Assistant to the Administrator, PPL

Amb. Don Steinberg, Expert Advisor on LLD

Adam Philipps, Director, Local, Faith and Transformative Partnerships Hub

Ruth Buckley, Acting Director, Office of Management Policy, Budget and Performance

Messages of Endorsement:

“In addition to having a definition of "local entity" shared across the agency, we also invite USAID to co-design a community-led process to develop this definition.”

–Asylum Access

“Humanity & Inclusion supports this initiative. In particular, we emphasize the importance of local organizations of people with disabilities, a key group of stakeholders who have traditionally had great difficulty accessing USAID funds directly.”

–Humanity & Inclusion

“Clarity of language around both "locally-led" and "community-led" are critical for unleashing the creativity and energy of millions of community change agents.”

–The Hunger Project

“To qualify as local, entities should be governed and managed by local or neighboring developing country citizens.”

–George Ingram

“PartnersGlobal supports this recommendation -- a clear and consistent definition of "local entity" can minimize some of the inherent obstacles to achieving truly locally-led peacebuilding and development.”

–PartnersGlobal

“We haven't gone far enough to ensure that development is locally-led. PATH supports clear definitions in US foreign assistance policy that will help us measure progress toward the transfer of power and resources to truly local, indigenous organizations.”

–PATH