

Influencing aid policy to support local leadership



ADVOCATING FOR CHANGE

Catholic Relief Services (CRS) believes the future of international assistance must include a shift to more direct funding and more empowerment of local organizations to make decisions as they implement, evaluate and own their development. In addition to our programmatic investments and capacity strengthening activities, we advocate for a foreign aid system where local actors are active participants in decision-making and can access the resources they need for sustainable solutions. We stress six core principals:

- **Effective partnerships** underpin effective transition to local leadership.
- **Holistic, not transactional, capacity strengthening** is critical for sustainable change.
- Local leadership requires **local actors as implementers and leaders**.
- **Funding mechanisms and conditions** help determine localization success.
- **Government matters:** localization should not replace an effective public sector.
- **A broad and inclusive civil society**, including women-led and faith-based organizations, is important.

To advance these ideas, we work along three lines: amplify partner voices, engage donors and policy makers, and build the evidence base for locally-led responses. →

AMPLIFY

Building a more locally-led future of aid requires local actors' input and leadership, not just in programming, but in the development of aid policy. To help make policy to more inclusive and representative, we work to bring our local partners "to the table" with donors and decision makers as we advocate for locally-led assistance.



ENGAGE

CRS engages key stakeholders to advocate for just localization policies. We liaise with leaders at USAID's Office of Acquisition and Assistance, Office of Global Health, Local Solutions, New Partnership initiative and PEPFAR. We've also testified before the U.S. Congress, met with executive branch officials, and held a range of events highlighting localization success.



BUILD

Recognizing that policy requires evidence, we are working to identify key strengths as well as policy opportunities, to strengthen the evidence base for local leadership. By documenting success, sharing analysis of global localization developments, and working with research institutions like Publish What You Fund, we help bolster the case for how aid work can successfully increase local leadership.



RECOMMENDATIONS TO US GOVERNMENT

CRS makes the following recommendations to help advance localization:

Money and opportunity matter. We ask Congress to pass the Locally Led Development and Humanitarian Response Act (HR 7710). The Administrator laid out an ambitious goal to increase direct USAID funding to local entities to 25% by 2025. Though challenging, ensuring local actors have access to the resources necessary to lead and carry out their mission is critical and requires Congressional support. HR 7710 and the Senate companion bill encourages stronger relationships with local entities, reduces burdens on local entities, and ensures oversight and accountability on progress toward results.

Oversee progress toward results. Until HR 7710 becomes law, we urge Congress to continue to support the inclusion of appropriations language to require a report from USAID that assesses progress toward results and provides data on funding to local entities, disaggregated by country. As USAID grapples with burden busting and reporting accurate information, we urge Congress to work with the Administration to ensure in the future this data can be available on ForeignAssistance.gov to interested stakeholders.

Ensure adequate investment in holistic, not transactional capacity strengthening. Good partnership and effective capacity strengthening are critical for any effort to support local leadership. Based on decades of experience, and in accord with USAID's 2022 Local Capacity Strengthening Policy, CRS insists that U.S. donor agencies fully fund approaches that ensure participatory, locally led capacity goal setting, and go well beyond simple transitional one-off activities. It is also important for USAID and other U.S. donors to plan, fund and give time in partnership activities, while also exploring new funding mechanisms to incentivize INGOs to play different roles in humanitarian response and development assistance programming.

Focus on the details: improve acquisition and assistance mechanisms to open the door to local partners. Strengthening local capacity is important. However, equally important are the mechanisms that help or hinder access to critical development resources. To truly shift the power and increase opportunities for local leaders and their institutions, U.S. donor agencies must work to:

- ensure size of awards is reasonable for local actors to design, bid for, implement and evaluate
- set timelines for design and implementation that reflect local capacity
- align the choice of funding instrument with local actors' capacity to respond and comply, including using mechanisms that do not require significant upfront resources from bidding organizations
- embrace flexibility in funding and adaptive management approaches
- allow local actors to submit proposals in their language instead of English

Efforts must also be made to develop and fund strategies to manage risk and help local organizations manage the extensive security, fiduciary, legal and other risk and compliance measures, and to strive to harmonize minimum criteria among donors, share information on the criteria, and expand pooled fund coverage.

Beyond USAID. The U.S. has emerged as a clear leader in the movement for a more localized aid system, and recent efforts such as the joint Donor Statement on Locally led Development demonstrate U.S. influence on the wider circle of donors. Nevertheless, broad agreement across the U.S. interagency or within the United Nations will not foster lasting change. Congress and USAID must ensure their efforts are not in vain and apply pressure to multilateral donors to ensure that all development and humanitarian assistance advances localization.

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PHOTOS

Banner photo: A delegation of CRS, CARITAS and other local national partner directors and emergency coordinators representing over 30 countries in Latin America and the Caribbean visited Capitol Hill on Dec. 7, 2023. The delegation advocated with senators, representatives on Capitol Hill, along with top officials at USAID and the State Department, for localization of humanitarian funding. *Philip Laubner/CRS*

Amplify: As part of the Sahel Peace Initiative, bishops Joseph Aka and Bruno Essoh Yedoh from Côte d'Ivoire spent a week in Washington, DC to meet with decision-makers. *Jack Gordon for CRS*

Engage: CRS convened more than 120 of its supporters in Washington, DC for congressional visits in support of U.S. foreign aid. The visits were part of the first-ever National Gathering, a weeklong event that brought CRS chapter members together from 27 different US states. *Philip Laubner/CRS*

Build: A soil sample is packed up to be taken to the lab for analysis on a demonstration plot in Ahuachapán, El Salvador. CRS has been training farmers and partners to evaluate their soil, increasing their access to information through digital soil mapping, the computer-aided production of digital maps of soil types and soil properties. *Katlyn Holland/CRS*