

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

**Locally Led Development
ANNUAL PROGRAM STATEMENT (APS)**

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INTERESTED APPLICANTS - PLEASE READ: This Locally Led Development APS is not a Request for Applications or a Request for Proposals, and this APS does not serve as a general request for locally led development concepts. Interested Applicants must respond to specific documents that share USAID priorities in a specific country(ies) called “addenda” that may be issued throughout the year on grants.gov. These addenda, when added, can be found on grants.gov under “Related Documents” on the [Locally Led Development APS page](#). Please visit this page periodically for opportunities that may be relevant to your country and focus areas. Concepts emailed to LLD-APS@usaid.gov or submitted via grants.gov will **not** be accepted.

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Section 1: APS Program Description

Pursuant to the Foreign Assistance Act of 1961, as amended, the United States government as represented by the U.S Agency for International Development (USAID), Bureau for Democracy and Innovation, Local, Faith-based and Transformative Partnerships (LFT) Hub, Locally Led Development Initiatives (USAID/DDI/LFT/LLDI) invites concepts from a wide variety of local actors for assistance awards that advance locally led development. **Locally led development** refers to the extent to which local actors are empowered to lead priority-setting, decision-making, management, measurement, and other processes through which development assistance contributes toward improving systems and outcomes for development.

This Annual Program Statement (APS) offers USAID Operating Units (OUs: Missions, Bureaus, and Independent Offices) a mechanism to advance [localization](#), which calls for intentional changes to USAID’s policies, processes, staffing and funding decisions to support partnerships and programs that equitably empower local actors, strengthen local systems, and facilitate local leadership so that development and humanitarian assistance is more effective and sustainable. It also aligns with [USAID’s Local Capacity Strengthening Policy](#), which recognizes USAID’s commitment to collaborating with local partners to define their own vision for success; strengthen their ability to be effective and relevant actors within their local communities and contexts; and elevate local ownership in sustaining development results. Furthermore, this APS builds upon Agency policy, guidance, and emerging practice in the areas of systems thinking, collaboration, learning, and adaptive, contextually informed design and management. It prioritizes diversity and encourages approaches that shift decision-making power to local people who have traditionally been marginalized, such as women, youth, religious and ethnic minorities, LGBTQI+, and gender diverse people. It enhances USAID’s capability to work with diverse local partners, to learn from these engagements, and to share this learning broadly.

This APS is global and open to local actors working in all sectors. Awards resulting from this APS will empower local actors to take the lead in identifying and addressing development challenges in their own communities, countries, and regions. Under this APS, USAID intends to fund a wide range of flexible, innovative, and experimental approaches to locally led development.

Section 2: Applicant Eligibility

USAID welcomes concepts from a wide variety of local actors who bring an understanding of the development challenges facing their communities, countries, or regions or who demonstrate a way to determine local priorities in their approach. Eligible applicants:

1. Must be local entities. When determining if an entity is eligible for the purposes of this APS, USAID will consider (see the definition of “local entity” in [USAID ADS 303.6](#)):

- a. Whether the entity is legally organized under the laws of the host country;
 - b. Whether the entity has its principal place of business or operations in the host country;
 - c. Whether the entity is majority owned (see Note below) by individuals who are citizens or lawful permanent residents of the host country; and
 - d. Whether the entity is managed by (see Note below) a governing body, the majority of whom are citizens or lawful permanent residents of the host country.
2. Cannot have received more than \$5 million in direct funding (as a prime awardee) from USAID in the previous five fiscal years.
 3. Cannot be a U.S.-based organization. U.S.-based organizations are not eligible as prime awardees under this APS.

Note: For purposes of this definition, “majority-owned” and “-managed by” include, without limitation, beneficiary interests and the power, either directly or indirectly, whether exercised or exercisable, to control the election, appointment, or tenure of the organization's managers or a majority of the organization's governing body by any means.

USAID especially encourages concepts from local organizations that have not worked with USAID before.

While not an exhaustive list and provided for illustrative purposes only, the following types of non-U.S. organizations are encouraged to participate:

- Civic groups
- Colleges and universities
- Cooperatives
- Faith-based organizations (FBOs)
- Foundations
- Non-Governmental Organizations (NGOs)
- Private businesses
- Trade associations

Section 3: Local Resources

This APS encourages activities that incorporate a mix of USAID, non-donor, and local resources to ensure that there is strong local support for proposed approaches both during and after the life of an award. In addenda to this APS, OUs are strongly encouraged to include one or a combination of approaches to incorporate local and non-donor resources that are appropriate for the country context. This may include cost share, leverage, and/or an activity component

that strengthens the capacity of local awardees to generate or leverage resources beyond those provided by international donors.

Section 4: Locally Led Development Approaches

This APS is designed to catalyze a process through which local actors can work with USAID to achieve development impact by testing and learning from locally led development approaches. Applicants are encouraged to incorporate one or more of the following approaches in submissions, or propose a different approach(es) that reflects the Applicant's own locally led development learning goals.

1. **Mechanisms** that improve the flow of information among the applicant and its own constituents, partners, and USAID to strengthen accountability to local constituents for achieving and sustaining results.
2. **Participatory analytical approaches**, which may provide a better understanding of the complex environments in which the program will operate.
3. **Participatory decision-making**, which includes locally led priority-setting, collaborative design, and other means of shifting decision-making power and control to local actors, including people who have traditionally been marginalized, such as women, youth, religious and ethnic minorities, LGBTQI+, and gender diverse people, ensuring inclusive local leadership.
4. **Mobilizing local resources**, which includes local philanthropy; partnerships that leverage resources from the local private sector, faith-based organizations, government, civil society, and academia; and other sources of local skills and finances to replace those of international donors.
5. **Strengthening local networks**, which may include understanding and supporting existing and emerging networks of local actors, supporting the work of local organizations, market facilitation, collective action, collective impact, and other demand-driven approaches to connecting local needs with local resources.
6. **Locally/community-led approaches to design, monitoring, evaluation, and learning** that prioritize local/community definitions of success and enhance local actors' role in managing and using data and learning related to development solutions, the development process, and the sustainability of results achieved.
7. **Strengthening local capacity**, which includes strengthening the role of local institutions and actors to sustain development outcomes with an eye toward ending the need for foreign assistance.
8. **Adapting and problem solving in non-permissive environments**, where uncertainty, instability, inaccessibility, or insecurity constrain the ability to operate safely and effectively. This may include environments such as those affected by natural disasters,

inaccessible physical geographies, active conflict, corruption, closing political spaces, criminality, and pandemics, where local approaches are essential for long-term resilience and sustainability.

For further information on USAID's Locally Led Development Initiatives and locally led development approaches, please visit [our website](#).

Section 5: Award Considerations

As stated in its Local Capacity Strengthening Policy, USAID must consider the potentially disruptive role that foreign assistance plays in local systems and support these systems to eventually move beyond the need for international donor funding. Donor resources temporarily flooding a local organization with funding, artificially expanding its size beyond what can reasonably be supported through local resources after an award ends, does not lead to sustainable outcomes. Under this APS, both OUs and local organizations must take responsibility for determining appropriate award amounts. OUs must ensure that awards under this APS do not exceed an awardee's capacity to grow sustainably in the local context (sometimes referred to as "absorptive capacity"). As equal partners in this effort, Applicants must propose a scope and budget that reasonably reflects their existing resources and capacity to grow. OUs' final determinations of award amounts will be based on the outcomes of pre-award surveys.

OUs are strongly encouraged to issue smaller, multiple awards to local organizations and consortia under this APS. OUs are also strongly encouraged to include indirect cost recovery in awards.

There are no limits on the number of awards that may be made by OUs under this APS to a single organization. However, each organization or consortium must only respond to each addendum with a single concept.

Section 6: Addendum and Co-Creation Instructions for USAID OUs

OUs request concepts for locally led development approaches that respond to specific OU objectives by issuing award opportunities called "addenda" to this APS. Addenda are developed in collaboration with and cleared by DDI/LFT/LLDI.

OUs interested in issuing addenda are encouraged to contact the Locally Led Development APS Activity Manager at LLD-APS@usaid.gov as early as possible. The Activity Manager will provide an addendum template that identifies the information that an OU must include in the

addendum. DDI/LFT/LLDI will review and clear each proposed addendum to ensure it is in the spirit of the Locally Led Development APS.

OUs are strongly encouraged to translate addenda into relevant local language(s) and to accept concepts in the local language(s). In accordance with [2 CFR 200.111](#), all addenda must first be posted in English with the disclaimer that the English language version will control, and all Federal award information must be in English.

Addenda must describe a multi-phased solicitation and co-creation process that reduces the barriers to entry for prospective local partners and meets OU needs. At minimum, this must include submission of a shorter concept before co-creating the full application or award documents. Please note that full applications are **not** required by this APS unless specified in addenda.

OUs are encouraged to think creatively about submission formats that best serve local actors (i.e. a brief written expression of interest, oral presentations, online forms, slide decks). Addenda must have a submission window of no less than four weeks to ensure that local organizations have sufficient time to respond to opportunities. Six weeks or more is recommended.

Local actors are not required to propose a fully designed activity under this APS -- a concept that suggests a process to identify and then act on solutions from the local context is fully within the intent of the Locally Led Development APS.

The Locally Led Development APS requires co-creation with a prospective local partner(s) before award. This must go beyond written feedback and include significant interaction in-person, via phone, and/or electronically with the prospective partner(s) to co-create the activity. In communications with prospective partner(s), OUs must establish a reasonable co-creation time period to ensure respect for partner time and resources.

Section 7: Merit Review Criteria and Selection Process Instructions for USAID OUs

Merit Review Criteria

The merit review criterion below will be used by the relevant OU to review and evaluate applicant submissions that meet the eligibility criteria. In addenda, OUs may add merit review criteria that reflect OU-specific priorities.

While merit criteria are paramount, cost considerations may also be a factor for award. The U.S. Government is not obligated to make an award on the basis of lowest proposed cost or to the Applicant with the highest merit evaluation score.

Locally Led Development

The Applicant demonstrates a strong understanding of the local context and priorities and is transparent, accountable, and responsive to the people they serve. The proposed approach and any teaming arrangements effectively shift priority-setting and decision-making power to diverse local actors, including people who have traditionally been marginalized, such as women, youth, religious and ethnic minorities, LGBTQI+, and gender diverse people. The Applicant demonstrates a strong commitment to learning that advances the practice of locally led development for themselves, their constituents, and the wider development community. USAID's investment in this work is expected to strengthen the capacity of local organizations, networks, and/or communities to deliver results beyond the end of the funded activities.

Selection Process

OUs must describe their specific selection process in addenda. This may include a "pass/fail" or "red light/green light" determination of initial applicant submissions. At minimum, the selection process must include evaluation of the *Locally Led Development* merit review criterion following each stage of applicant submissions. No individual criterion must be weighted more heavily than *Locally Led Development* at any stage. Concepts that do not meet the eligibility criteria in Section 2, Applicant Eligibility will not be considered.

Section 8: Sharing of Concepts

If USAID identifies opportunities to strengthen or fund a concept by connecting it with other USAID mechanisms, other potential funders, and/or external partners, USAID may make that concept available internally or externally for up to one year from receipt of the concept for appropriate consideration.

Section 9: Federal Award Information

This APS is not supported by specific funds. Any funding for activities proposed under this APS will be requested from the specific USAID OU with which the Applicant seeks to collaborate and to which the concept will be submitted.

USAID reserves the right to fund any or none of the concepts submitted under this APS. Please note that the determination of potential substantive and resource support DOES NOT constitute a commitment to make an award.

This APS supports all types of assistance awards allowed by USAID's [Automated Directives System \(ADS\)](#) and the [Federal Acquisition Regulations](#), including grants and cooperative agreements. For further information on the components and requirements of various types of assistance awards see [ADS Chapter 303](#).

In order to be eligible to receive U.S. Government funding, organizations must meet certain requirements. **While these requirements do not have to be met in order to submit a concept under the APS, they will need to be met if the applicant is requested to co-create an activity and receive an award from USAID.** The requirements are:

- Registration Matters:
 - All first-time applicants for USAID funding are subject to a pre-award survey to verify that the applicant has proper procedures in place to receive USAID funding ([ADS 303.3.9.1](#)).
 - Each applicant (unless the applicant has an exception approved by the Federal awarding agency under [2 CFR 25.110\(d\)](#)) is required to:
 - Be registered in the System for Award Management ([SAM](#)) and provide a valid unique entity identifier; and
 - Continue to maintain an active SAM registration with current information at all times during which it has an active Federal award or an application or plan under consideration by a Federal awarding agency.

- Pre-Award Applications:
 - [SF-424, Application for Federal Assistance](#)
 - [SF-424A, Cost application Information – Non-Construction Programs](#)
 - [SF-424B, Assurances – Non-Construction Programs](#)
 - [SF-425, Federal Financial Form](#)

- Certifications, Assurances, Representations, and Other Statements of the Recipient and Pre-Award Terms:
 - [Certifications, Assurances, Other Statements of the Recipient](#)
 - [Pre-Award Terms](#)

In addition, the requirements for reporting on OU-funded activities under this APS will be determined in a collaborative manner among selected awardees and the supporting OUs. These should be outlined in award documents.

For general questions about this APS, please contact the Locally Led Development APS Activity Manager in DDI/LFT/LLDI at LLD-APS@usaid.gov.

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