

## Peer Learning Review Synthesis Report

Learning by example: Pathways towards effective locally led development co-operation

*This is not an official document. It is a draft synthesis that serves as a basis for informal discussions during online discussions with development stakeholders organised on 2 July 2024. The document will be amended, edited and finalised following the consultations. Information mentioned in this version of the report is not to be quoted.*

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## Abbreviations and acronyms

A&A	Acquisition and Assistance
AAP	Accountability to affected people
AECF	African Enterprise Challenge Fund
AFNS	Aid Fund for Northern Syria
AI	Artificial Intelligence
ANCP	Australian NGO Co-operation Programme
BMZ	German Federal Ministry for Economic Cooperation and Development
BRAC	Building Resources Across Communities (formerly Bangladesh Rural Advancement Committee)
CBNRM	Community-based natural resource management
CBPF	Country-based Pooled Funds
CFLI	Canada Fund for Local Initiatives
CICID	Committee for International Co-operation and Development
CLD	Community and Local Development
COPE	Communities of Practice for Effective Partnerships
COVID-19	Coronavirus Disease 2019
CRS	Creditor Reporting System
CSII	The Civil Society Innovation Initiative
CSO	Civil Society Organisation
CSSP	Civil Society Support Programme
DAC	Development Assistance Committee
DCD	Development Co-operation Directorate
DDD	Doing development differently
DFAT	Department of Foreign Affairs and Trade (Australia)
DMAT	Decision Mapping Tool
DPs	Development Partners
FCDO	Foreign, Commonwealth & Development Office (UK)
FIAP	Feminist International Assistance Policy
FRAP	Framework for Risk Governance and Adaptive Programming
FEOF	Support Fund for Feminist Organisations
GAC	Global Affairs Canada
GCTI	Grants and Contributions Transformation Initiative
Gov4Res	Governance for Resilience Programme
GPEDC	Global Partnership for Effective Development Co-operation
GPPAC	Global Partnership for the Prevention of Armed Conflict
GRF	German Research Foundation
HIV	Human Immunodeficiency Virus
HDP	Humanitarian-Development-Peace Nexus
ICSP	Ireland Civil Society Partnership
IDRC	International Development Research Centre
IFAD	International Fund for Agricultural Development
IFIs	International Financial Institutions
INGOs	International Non-Governmental Organisations
IWDA	International Women's Development Agency
KSI	Knowledge Sector Initiative
LAMP	Local Actor Mapping Compass
LCA	Local Coalition Accelerator

LCS	Local Capacity Strengthening
LFS	Leading From the South
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual, and other orientations and identities
LIC	Low-Income Country
LMICs	Low- and Middle-Income Countries
LNOs	Local and national organisations
MASC	Mechanism for Civil Society Support
MEAL	Monitoring Evaluation Accountability and Learning
MEL	Monitoring Evaluation Frameworks
MFAT	Ministry of Foreign Affairs and Trade (New Zealand)
MIC	Middle-Income Country
MOU	Memorandum of Understanding
NCBS	Nature and Community-based Solutions
NCDs	Non-communicable diseases
NGO	Non-Governmental Organisations
NZD	New Zealand Dollar
OCHA	Office for the Coordination of Humanitarian Affairs
ODA	Official Development Assistance
ODI	Overseas Development Institute
OECD	Organisation for Economic Co-operation and Development
P2P	Peer-to-peer
PDIA	Problem driven iterative adaptation
PDP	Participatory Development Programme
PSE	Private Sector Engagement
PYD	Positive Youth Development
RISA	Research and Innovation Systems for Africa
SDC	Swiss Agency for Development and Cooperation
SDGs	Sustainable Development Goals
SECO	Swiss State Secretary for Economic Affairs
SIDA	Swedish International Development Cooperation Agency
SIDS	Small Island Developing States
SRHR	Sexual and reproductive health and rights
STI	Science, Technology and Innovation
TPM	Third-Party Monitoring
TVET	Technical and Vocational Education and Training
UK	United Kingdom
UN	United Nations
UNDP	United Nations Development Programme
US4LLD	Unsolicited Solutions for Locally Led Development
USAID	United States Agency for International Development
USD	United States Dollar
WASH	Water Sanitation and Hygiene
WHO	World Health Organisation
WRO	Women Rights Organisations
WVL	Women's Voice and Leadership

## Executive Summary

**Locally led development co-operation is gaining momentum and traction, galvanised by recent policy commitments.** Emboldened calls for system-wide, co-ordinated and transformative change – which challenges deeply rooted development co-operation norms, biases and colonial legacies, and addresses power imbalances – underscore the renewed attention on locally led development co-operation. At the same time, increased recognition of the critical role of diverse local actors in programme effectiveness and sustainability has pivoted attention towards increasing their agency in development co-operation framing, design, delivery, learning and accountability.

**Despite recent advancements, Development Assistance Committee (DAC) members continue to meet significant obstacles to advancing development co-operation that is genuinely locally led.** DAC members are navigating the need for change amidst shifting geopolitical dynamics, a rapidly evolving humanitarian landscape, and rising levels of conflict and fragility, coupled with global economic instability, reducing budgets and lowering risk appetites. Internally, DAC members face political, administrative and systemic barriers, including definitional issues constraining shared understanding, limited human resource capacities, and restricted flexibility to adapt to local contexts. DAC members are also tackling politically sensitive issues associated with working more closely with local actors including when values differ, managing internal and external power dynamics, legitimacy and representativity, including the risk of elite capture.

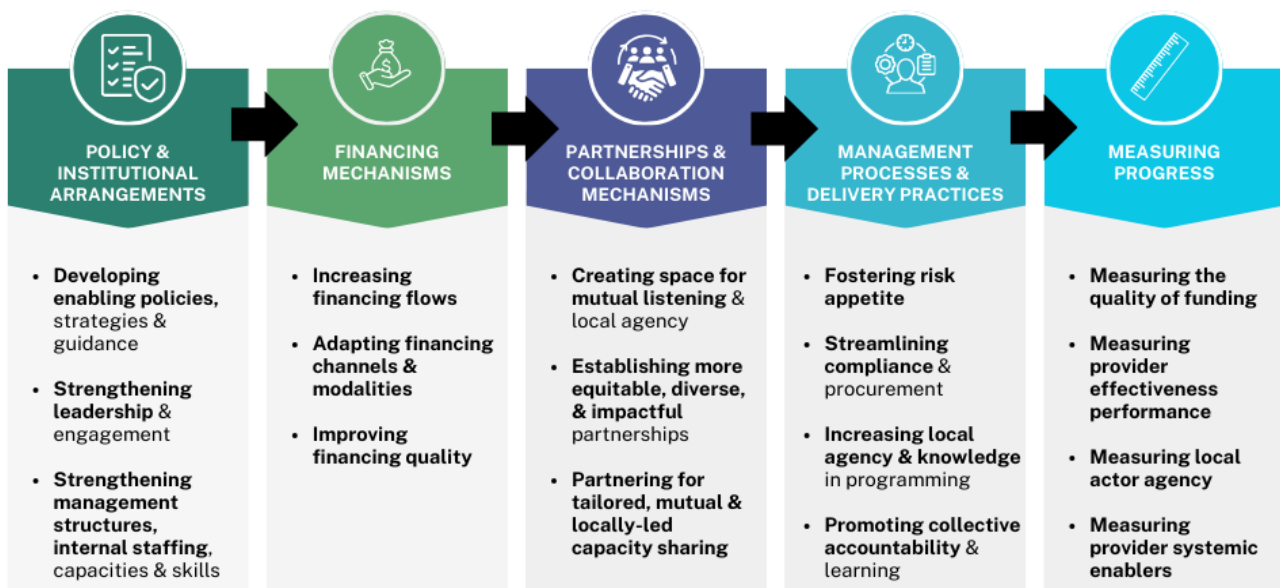
**Increasing reliance on international intermediaries means that DAC members are rethinking how locally led development can be enabled through existing and new partnerships.** This means creating an enabling environment, revisiting policy and practice, and reshaping power dynamics by creating more equitable spaces for local actor agency. Systemic change is needed and must be underpinned by a shared understanding of the challenges at stake, and potential pathways informed by an evidence base of good practices and collective solutions.

**This peer learning synthesis report helps DAC members identify possible pathways towards more effective locally led development co-operation by collating new and existing good practices.** The report identifies the following enablers for advancing locally led development co-operation. For each enabler of locally led development co-operation, this report provides an overview of the contextual influences and challenges, and highlights good practices for replicating, enabling change, and navigating pathways forward.

- **Laying the foundations and putting in place policy and institutional frameworks**, enables local actor agency by: **driving change through shared goals** and commitments; guiding shifts in practice through **targeting key barriers** and constraints; integrating local agency considerations into existing frameworks and guidelines; **decentralising locally responsive decision-making** in partner country contexts, drawing on the leadership and guidance of local staff; creating opportunities to strengthen and apply **diverse skills and capabilities** amongst DAC member staff, including soft skills, and cultural and contextual sensitivity.
- **Strengthening financing mechanisms**, which enables local actor agency by: channelling **increased funding** to diverse local actors including directly to local governments, grassroots organisations and women's groups; ensuring funding is **flexible, long-term, core, multi-year, predictable**, and can be aligned to locally identified priorities and support local actor organisational independence and sustainability; **influencing international intermediaries** to “pass on” overheads and quality funding using funding agreements with clear criteria; and utilising diverse and innovative modalities including **local intermediary structures, rapid grant funding, and alternative pooled funds**, that are more cost-effective, sustainable, community-centred, responsive and inclusive.

- **Promoting collaboration and equitable partnership mechanisms**, enables local actor agency by: reshaping power dynamics and **creating more equitable spaces and partnerships** underpinned by policy commitments and guidelines; creating **new ways of engagement** founded on mutual listening, trust, reciprocity and co-creation including triangular approaches; mobilising and **influencing international intermediaries** to shift behaviours; accompanying local organisations through **partnership transitions**; using new modalities including **working with local intermediaries** and other new partners including local coalitions, the private sector, local innovators, and local government; and supporting **tailored, mutual, and sustainable capacity sharing**, which responds to local priorities, builds on existing strengths, facilitates peer-learning exchange, and outsourcing to local providers.
- **Adapting management processes and delivery practices**, which enables local actor agency by: creating space for diverse local actors to apply their own **knowledge, priorities and ideas** to design and implement innovation processes; **streamlining, simplifying and harmonising** risk management and compliance processes to support direct access to quality funding; sensitising DAC member domestic stakeholders on the role of risk in development effectiveness, while **challenging perceptions** on the risks connected to locally led development co-operation; enabling **collective accountability and mutual learning** through participatory and multi-stakeholder processes, as well as tailored and locally designed accountability frameworks to support more equitable partnerships and reinforce existing local accountability practices.
- **Measuring progress and providing a robust measurement framework**, which enables DAC members to understand and track progress towards their commitments and ambitions on locally led development. This is crucial to identifying areas for improvement and performance gaps, so that strategies can, in turn, be modified as needed to meet objectives.

**Figure 1: DAC Member Enablers for Locally Led Development Co-operation**



This peer learning synthesis report does not prescribe a specific pathway for DAC members, but highlights the importance of contextualised, sequenced and locally defined approaches if genuine progress is to be made. It underscores the need for system-wide change, which will inevitably take time. It considers the importance of sequencing – starting with **foundational enablers** (policies and institutional arrangements) to create an enabling environment for locally led development. These enablers can then support shifts in existing **funding and partnership mechanisms**, whilst creating space for new modalities

that enable new and diverse actors to work together in more equitable ways. In turn, these can then support **management processes and delivery practices** that centre on the agency, knowledge and capacities of diverse local actors, and promote collective accountability. However, it is important to stress that each DAC member will have a different starting point, which will necessitate tailored sequencing, taking into account different institutional and partner country contexts.

**Navigating these pathways will take time.** It is important to recognise the many good practices that are already being implemented by DAC members, not necessarily under the banner of locally led development, are supporting progress, nonetheless. At the same time, it is necessary to remain cognisant that achieving successful locally led development co-operation will require broader systemic change, both within and across DAC members, which will require sustained political momentum and co-ordinated approach. It will also require negotiating diverging priorities and instigating changes in policy, mechanisms and processes in order to shift power dynamics, behaviours and practice.

# 1. Navigating change and overcoming constraints

## *Rationale*

**Locally led development is rising up in the policy agenda**, as evidenced by the recent [international statement on supporting locally led development](#) signed by 21 Development Assistance Committee (DAC) members and 22 foundations in the margins of the 2022 Effective Development Cooperation Summit in Geneva, Switzerland.<sup>1</sup> However, while there has been progress, DAC members continue to meet significant obstacles in their ambitions to advance development co-operation that is genuinely locally led. These range from political and power dynamics to systemic constraints, and limited options for practical ways to adjust programming.

**Recent commitments towards locally led development build on longstanding efforts to ensure and promote country ownership in development co-operation.** These are reflected in the [development effectiveness principles](#) (Paris Declaration, Accra Agenda, Busan Principles), as well as efforts to promote the role of local knowledge and decision-making in development practice through participatory approaches. Indeed, locally led development is not a new agenda for DAC members. It is a fundamental feature of the development effectiveness principles to which DAC members are already committed. In many ways, it is an opportunity to reinvigorate efforts and foster collective thinking on how to better live up to the ownership principle and its underpinning whole-of-society approach, albeit with a stronger focus on addressing power imbalances.

**Increased momentum for locally led development has been influenced by several factors.** Rising levels of conflict and fragility, alongside the effects of the COVID-19 pandemic, compounded issues of international access to some local contexts and increased recognition of the important role of diverse local actors in sustaining programming and its progress. At the same time, shifting geopolitical dynamics, including the rise of non-DAC member development providers, have dramatically altered the politics of development co-operation. Notably, increasing international competition and fragmentation have dislodged the traditional balance of power in many operating contexts – giving rise to more South-South and triangular co-operation. While this global environment has driven the alignment of development co-operation with DAC member national interests in some contexts, it has also put pressure on DAC members to work differently to drive developmental progress, more humbly and respectfully. This includes emboldened calls for “decolonisation” amongst Global South actors and calls for distributed leadership by local civil society organisations (CSOs) (OECD, 2024).<sup>2</sup> Within their development co-operation partnerships, DAC members are facing increasing pressure to address power imbalances and enable greater local agency in the way programmes are framed, designed, delivered and evaluated.

**The shifting nature of development co-operation has underscored the need for renewed attention to locally led development, including in multilateral fora.** Increased reliance on the multilateral system (OECD, 2024 (forthcoming))<sup>3</sup> is pushing members to consider how locally led development is realised and incentivised in partnerships with international agencies, whilst identifying new funding modalities, including local intermediaries. At the same time, rising humanitarian crises coupled with global economic instability have placed significant pressures on already constrained aid budgets for many DAC members (OECD, Development Co-operation Profiles: Official Development Assistance in Times of Crises (chapter 3), 2024); (ICAI, 2023). Economic constraints and lower risk appetite within DAC member domestic contexts have increased pressure to demonstrate results, despite the generally strong support for development co-operation amongst domestic publics (EU, 2023). These dynamics have contributed to the long-term challenges members face in establishing direct and equitable partnerships with local actors, including through budget support to national governments.



## **Methodology**

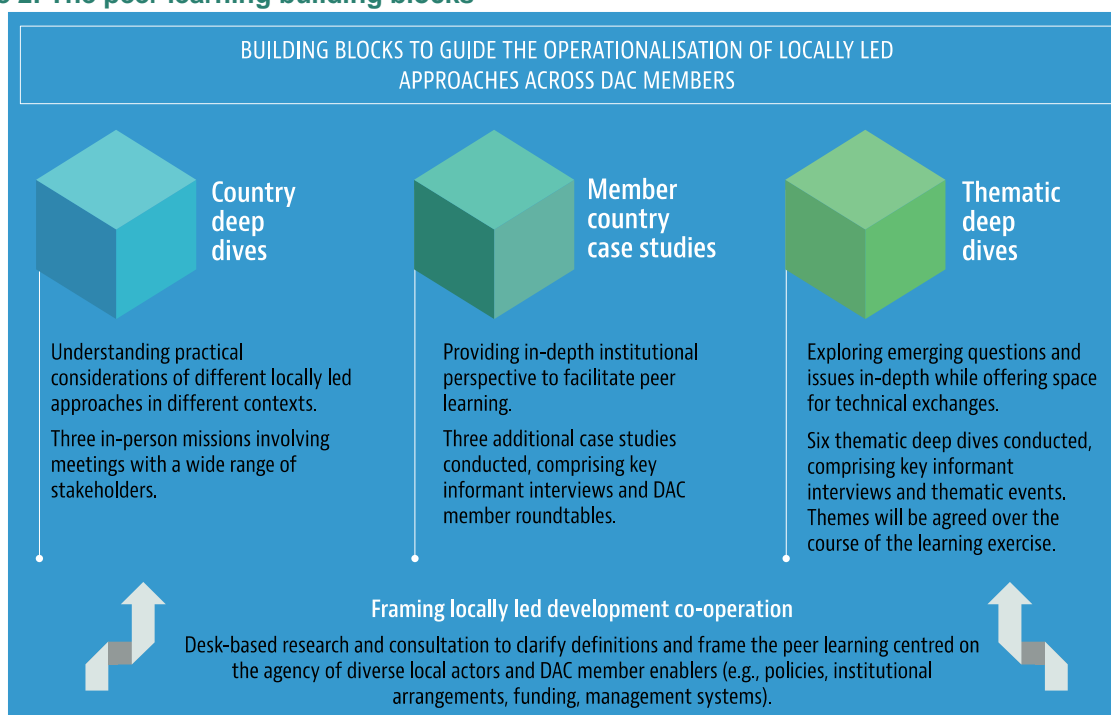
In early 2023, the DAC agreed to carry out a peer learning exercise on locally led development to share approaches to promote locally led development ([\(DCD/DAC\(2023\)5\)](#)). The peer learning took place over a 12-month period (July 2023 to June 2024), with the aim of building a common understanding of locally led development co-operation and strengthening the evidence base to inform DAC member policies, systems and practices. The Peer Learning Team comprised the [Share Trust](#) in collaboration with [Warande Advisory Centre](#), ODI, Epic Africa, and local researchers from the three “deep dive” countries, working closely with the OECD Development Co-operation Directorate (DCD) and a Sounding Board, which provided expertise and advice to guide the peer learning process (see Annex A). The peer learning approach was guided by the principles of equitable learning and partnership and collaboration with in-country experts to draw on diverse perspectives and experiences.

### **The peer learning centred on the following learning questions:**

- How do DAC member policies and institutional **frameworks**; financing, collaboration, and partnership **mechanisms**; management **processes** and implementation **practices** enable or constrain locally led development co-operation?
- What broader DAC member and local operating **contextual parameters** influence locally led development co-operation, and how are DAC members responding to these?
- What good practices exist for enabling **local actor agency** across locally led development co-operation dimensions (framing, design, delivery, learning and accountability) with opportunities to replicate and scale best practices?

**The peer learning comprised five key building blocks:** i) framing locally led development co-operation, culminating in a [framing paper](#); ii) three DAC member case studies (Canada, Ireland and Switzerland – forthcoming); iii) three country deep dives (Colombia, Ethiopia and Nepal) in collaboration with local researchers in these countries; iv) six thematic deep dives on [risk management](#), the role of multilaterals, valuing and strengthening local knowledge and capacities, accountability to local stakeholders, locally led development co-operation in politically constrained contexts, and measuring locally led development co-operation;<sup>4</sup> and v) a series of peer learning consultation events to share the peer learning findings and gather feedback.

Figure 2: The peer learning building blocks



### Framing

The peer learning [framing paper](#) acknowledges that enabling locally led development co-operation<sup>5</sup> is a process of shifting agency dynamics across development and humanitarian action. The framing paper outlined key definitions and the conceptual framework for shaping the peer learning exercise. The framework has been updated as a result of the peer learning exercise, and informs the proposed approach to measuring locally led development, outlined in Section 6 (OECD, 2023).

#### Box 1.1. Peer learning working definitions

**Locally led development:** “an ongoing development process where diverse local actors exercise agency across development policy and programme dimensions (framing, design, delivery, accountability) in given local operating contexts.”

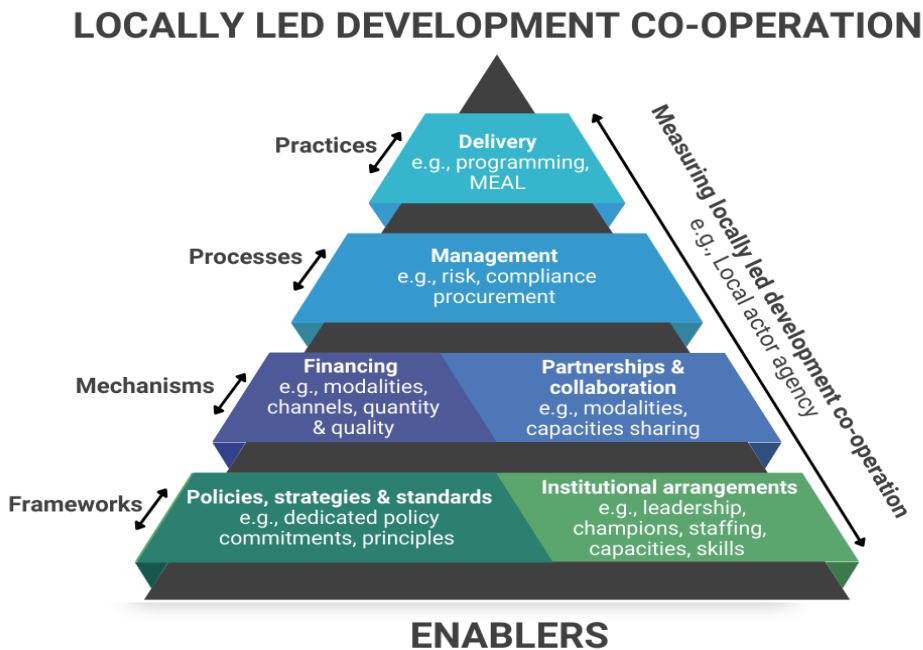
**Locally led development co-operation:** “development co-operation that supports locally led humanitarian and development assistance by recognising and enabling diverse local actors’ agency in: i) **framing**; ii) **design**; iii) **delivery**, including control over resources; and iv) **accountability and learning**.”

**Local actors:** “citizens and entities based and operating within the local context of reference,<sup>6</sup> subject to local laws, whose actions are centred on local issues.”<sup>7</sup>

### Enabling change

The peer learning exercise has identified several critical enablers, which together provide the foundation for locally led development co-operation. These comprise: i) foundational **frameworks**: policies and institutional arrangements; ii) **mechanisms**: financing, partnerships and collaboration; iii) **processes** including risk, compliance and procurement; and iv) implementation **practices**.

Figure 3: Navigating locally led development: Enablers of change

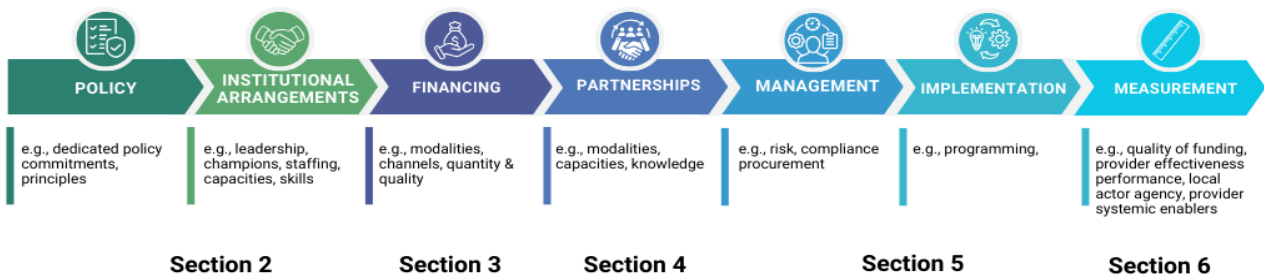


Note: MEAL = Monitoring, evaluation, accountability, and learning

### Structure of the report

The remainder of the report is structured to share the peer learning findings on the contextual influences, challenges and emerging good practices for each of the enablers of change (frameworks, mechanisms, processes and practices) identified in Figure 2. Section 2 explores the foundational enablers – the **policy and institutional frameworks** enabling locally led development. Sections 3 and 4 share findings on the mechanisms enabling locally led development – **financing, and partnership mechanisms**, and Section 5 focuses on the **management processes and implementation practices** that enable locally led development. The final section discusses a proposed approach for DAC members to **measure progress** towards effective locally led development co-operation.

Figure 4: Navigating the report



## DAC MEMBER ENABLERS SHAPING LOCALLY LED DEVELOPMENT CO-OPERATION

## 2. Laying the foundations: Policy and institutional frameworks

### *Contextual influences and constraints*

**Various contextual factors shape the approach taken to locally led development across different operational and DAC member contexts.** Some DAC members benefit from largely conducive political environments, with high levels of political and public support for the principles of locally led development, and development co-operation more broadly. Ireland is a notable example in this regard. Its own relatively recent experience of economic and political transition provides a strong rationale for its engagement in development co-operation and enables it to emphasise mutuality in its partnerships with local (including government and civil society) actors. Others, including Switzerland, connect their approach to locally led development with their own domestic governance models and history of development co-operation. Switzerland's decentralised structure and tradition of citizen participation informs its understanding of development as a participatory process involving multiple stakeholders. Similarly, in Canada, there is recognition of the complementarity between the locally led development agenda and domestic efforts to empower Indigenous communities. Further, New Zealand integrates Indigenous worldviews and Māori knowledge into its foreign policy. For example, its [“Pacific Resilience Approach Policy”](#) is framed by Māori concepts that acknowledge the connections between Māori and other Indigenous Pacific cultures (OECD, 2023). For some DAC members, the legislative context can also create opportunities or challenges for locally led development. For example, many providers have legal restrictions on the types of organisations that can receive ODA, and the length of funding cycles, such as USAID<sup>8</sup>, Slovenia and Czechia.


**In some DAC domestic environments, however, the dominant politics can come into tension with locally led development.** Notably, the requirement for quick wins and easily communicable results, affected by political narratives about the efficacy of development co-operation, can come into tension with locally led practice. For example, successful locally led development co-operation may in fact require longer-term time horizons, and the idea of “impact” as an alignment with local priorities and less tangible results connected to institutional change. These two main challenges, embracing a longer-term time horizon and investing in activities that pertain to systems and institution-strengthening that are hard to quantify, are two issues that can also constrain scaling the impact of development programmes and innovation. Moreover, the increasing emphasis on pursuing “mutual benefit” in development co-operation, particularly important in efforts to advance innovation and scaling (including in the United Kingdom, Sweden and Switzerland), can come into tension with locally led development.<sup>9</sup> For example, this alignment can prioritise the deployment and development of DAC member national expertise, at the cost of identifying and leveraging existing knowledge and capacities in local contexts (Switzerland deep dive). At the same time, the many good practices of triangular co-operation (see Section 5) provide a counterbalance to this risk, as most trilateral partnerships are locally led.

**There are ways in which DAC members can navigate and respond to domestic contextual constraints through awareness raising and promoting public dialogue.** Building synergies and relationships with domestic civil society groups that are advocating for change through solidarity with, and amplifying the voices of, Global South stakeholders is a valuable approach being taken by many DAC members (such as Canada, Switzerland and Ireland). Engagement with parliament and citizen education programmes are other important avenues to shape and inform public perceptions and political narratives. For example, in Ireland, widespread public support for development co-operation, particularly among younger generations with an expanded global perspective and better understanding of the Sustainable Development Goals (SDGs), has been bolstered by initiatives like [“global citizenship education”](#).<sup>10</sup> In the United Kingdom, the parliamentary International Development Committee has promoted public debate and engagement on locally led development in subjects ranging from [racism in the aid sector](#) to the [philosophy and culture of aid](#). Engaging constructively in these dialogues helps foster a positive agenda for change.

## Foundational enablers

Good practices that DAC members are implementing in relation to policies and institutional frameworks to enable locally led development co-operation focus on: i) developing enabling policies and strategies; ii) strengthening leadership and engagement; and iii) strengthening internal management systems, staffing, capacities and skills.

Figure 5: Foundational enablers: Policies and institutional frameworks

ENABLERS	GOOD PRACTICES	EXAMPLES
<p><b>Developing enabling policies, strategies &amp; guidance</b></p>	<ul style="list-style-type: none"> <li>• Developing <b>dedicated policy commitments &amp; guidelines</b></li> <li>• Aligning and building on <b>existing policy commitments &amp; strategic objectives</b></li> <li>• Committing to <b>complementary initiatives</b></li> <li>• Engaging <b>domestic civil society participation</b> in locally led development policy</li> </ul>	 <p>USA &amp; Australia Policy commitments</p>
<p><b>Strengthening leadership &amp; engagement</b></p>	<ul style="list-style-type: none"> <li>• Shaping more comprehensive narratives &amp; definitions through steering <b>multi-stakeholder learning processes</b></li> <li>• Examining &amp; <b>reshaping relationships</b> with international partners</li> <li>• <b>Decentralising decision making &amp; promoting autonomy</b> in country offices</li> </ul>	 <p>Switzerland &amp; Ireland: Locally led working groups</p>
<p><b>Strengthening internal management structures, staffing, capacities &amp; skills</b></p>	<ul style="list-style-type: none"> <li>• Ensuring staff have the <b>resources, time, and capacity</b> to manage differently</li> <li>• Strengthening the <b>soft skills &amp; cultural understanding</b> of DAC member staff</li> <li>• Establishing a <b>strong field presence</b> that draws on the knowledge &amp; experience of local staff</li> <li>• Supporting <b>integration across functions, teams, geographies</b> &amp; clarifying management structures</li> </ul>	 <p>Poland Solidarity Fund: country presence &amp; staff</p>

### Developing enabling policies, strategies and guidance

**Developing dedicated policy commitments and guidelines.** Coherent frameworks, based on shared definitions, can support the integration of locally led development indicators and principles into existing guidelines, policies and accountability frameworks. They can also drive change to address systemic barriers and challenges (Pinnington, Kasaija, King, Ntezi Mbabazi, & Gulrajani, 2024). For example, USAID’s agency-wide “vision and approach”<sup>11</sup> has spurred action on refining, shifting and better communicating its policies and business practices to enable effective locally led development co-operation. This included refining approaches to [risk management](#), updating their [acquisition and assistance](#) strategy, and releasing a new [local capacity strengthening policy](#). Similarly, Australia’s “[International Development Policy](#)” (2023) includes a commitment to supporting “local leadership, solutions, and accountability, including channelling funding to local actors”, which has spurred action on developing targeted guidelines: a “[Guidance Note on Locally Led Development](#)”. In Switzerland, the inclusion of locally led development commitments in the draft of the “[International Cooperation Strategy 2025-2028](#)” signals a potential shift towards more structured guidelines and progress-tracking systems. Such efforts build on the historical integration of principles and practices to promote the role of local actors in Switzerland’s development co-operation partnerships (Switzerland deep dive).<sup>12</sup> Several other DAC members are also in the process of developing a dedicated policy on locally led development, including the United Kingdom.<sup>13</sup>

### Box 2.1. Developing locally led development policy commitments (USAID)

USAID's "[Localisation Vision and Approach](#)" includes four commitments. Firstly, to channel a larger portion of its resources directly to local partners, while providing accountability for the appropriate use of funds and achievement of results (25% of direct funding to local partners by 2025). To support this first commitment, USAID has updated its "" to embed principles of inclusive and locally led development and launched a new platform to attract local actors: [WorkwithUSAID.gov](#). Secondly, it has committed to adapt its policies and programmes to foster locally led development that is tied to unique country contexts, invest in local actors and capacity strengthening, and foster well-functioning systems and results over a long-term horizon. Thirdly, it has committed to shifting power to local actors and creating space for them to influence and exercise leadership (including by setting a target that 50% of programming will place local communities in the lead to co-design, set priorities, drive implementation and evaluate impact by 2030). Finally, USAID has committed to serve as a global advocate and thought leader to catalyse a broader shift towards locally led development.

Source: (USAID, n.d).

**Aligning with and building on existing policy commitments and strategic objectives.** There is no one-size-fits-all for DAC member approaches to locally led development co-operation. For some members, a dedicated policy may not be suitable, with existing policy frameworks being sufficient for the changes in practice required. For example, Ireland's commitment to the agenda is embedded in its existing policy frameworks and strategies, including in its international development policy, "[A Better World](#)", and it views locally led development as fundamental to achieving its "furthest behind first" commitment. This is within the context of a flexible and largely decentralised system that provides a conducive institutional environment for locally led development co-operation (Ireland deep dive). Others, however, may require a stronger policy signal to give staff sufficient cover to work innovatively. For example, Canada's "[Feminist International Assistance Policy](#)" (FIAP) commits Global Affairs Canada (GAC) to working with local actors and directing more international assistance to local organisations. However, a more targeted locally led development policy framework may be required to overcome central constraints and barriers, including those connected to risk aversion (Canada deep dive).

**Committing to complementary initiatives.** A number of DAC members have committed to complementary initiatives that have the potential to support locally led development co-operation. Several countries are including commitments to strengthen civil society and strengthen partnerships with local actors in a range of policies. For example the Netherlands' "[Policy Framework for Strengthening Civil Society](#)," and Canada's "", as well as Ireland's [Local Development Policy](#). Similarly, a number of DAC members have committed to initiatives like the [Principles for Locally Led Adaptation](#) that aim to increase adaptation funding to local actors, devolve decision-making, and leverage local knowledge and capacities (amongst other aims); and the "[doing development differently \(DDD\)](#)" principles, which promote context-sensitive and adaptive practice. For example, Denmark aims to support locally led development based on the DDD principles, by recognising the need to continually update analysis to ensure approaches remain locally relevant and support local leadership. In 2019, Canada played a pivotal role in formulating the "[Whistler Principles to Accelerate Innovation for Development Impact](#)", which emphasise inclusive and locally led innovation.

**Engaging domestic civil society participation in locally led development policy.** For example, Canada is co-creating locally led development guidance and policy internally across departments, ensuring operational relevance and grounding in external perspectives through consultations with a diverse set of actors, including Canadian civil society and local organisations. Canada has also engaged its partners in efforts to address specific bottlenecks (see Section 5). Another example is Ireland's call for its partners to develop a locally led development policy, through its "[Civil Society Partnership for A Better World](#)" (ICSP) flagship multi-annual funding scheme for civil society. This spurred a learning initiative amongst Irish civil society, led by Dóchas, the Irish CSO national umbrella platform, which involved 53 members, including ICSP partners, and smaller Irish organisations, participating in a series of workshops. The learning exercise covered various aspects of locally led development, including risk management, partnership assessment, funding, capacity, power and decision-making. The exercise aimed to explore the fundamentals of what locally led development means in

the long term, creating a safe space for sharing, and deliberately avoiding a rigid definition to accommodate the diversity of partnerships. Swiss civil society has also been playing an active role in shaping and creating space for national dialogue on locally led development. The SDC Swiss NGO Section supported a strategic dialogue with Swiss NGOs on strengthening civil society and country ownership. This initiative led to the organisation of a conference – “Localisation: Strengthening Civil Society and Changing Power Relations”, which generated key recommendations for advancing the locally led development agenda. This included reflecting on how to increase core contributions to partners, redefining risks with a bottom-up approach, addressing non-inclusive decision-making bodies, and strengthening long-term partnerships, while promoting power shifts and mutual accountability.

### ***Strengthening leadership and engagement***

**Shaping more comprehensive narratives and definitions around locally led development through steering multi-stakeholder learning processes.** Many DAC members are drawing on bottom-up approaches led by internal champions, assessing their current working methods and programmes to establish a foundation for defining locally led development, including Ireland<sup>14</sup> and Canada. Switzerland is also engaged in an ongoing internal learning process aimed at developing a coherent position on locally led development, humanitarian action, and peace-building. Like Canada and others (including the United Kingdom, which commits to developing a local leadership strategy in its [2023 White Paper](#), the Netherlands and the United States), it has established a **locally led development task working group**, comprising representatives from various sectors. As a part of these efforts, Canada commissioned [a study](#) in 2022 to better understand Canadian international development organisations’ perspectives, practices, successes and challenges related to locally led development.<sup>15</sup> Other efforts have been made in this area by Belgium, which has commissioned research on the decolonisation of Belgium development co-operation, to understand the [coloniality of its aid](#) and imagine [alternative futures](#) drawing on Global South perspectives. These initiatives can help refine and direct operational orientation towards locally led development co-operation, support common definitions, and foster greater political support and engagement.

**Examining and reshaping relationships with international partners in locally led development.** This includes through the role of DAC members as influencers, particularly in partnerships with multilateral and international non-governmental organisations (e.g., Switzerland and Ireland). Ireland, for example, is interested in gleaning lessons from the locally led development policies of its Irish civil society partners and, under its ICSP programme, has required all its partners to develop a specific locally led development policy. In Switzerland, [Grand Bargain](#) commitments have been instrumental in the renewed focus on locally led practice, both internally and externally. Switzerland has led efforts to influence and shape multilateral intermediary channels as co-convenor of the Grand Bargain localisation workstream and in its role as co-chair of the OCHA Country-Based Pooled Funding Mechanism (CBPF) working group. The latter has led to the presence of local humanitarian actors in working group meetings for the first time, as well as the establishment of dedicated funding and capacity strengthening mechanisms to facilitate their continued engagement. Switzerland’s efforts have also involved successfully advocating for simplified and streamlined due diligence requirements (a major funding barrier for local organisations) of CBPFs (e.g., in Ukraine and Myanmar). Another example is Denmark, which has introduced [new requirements](#) in its partnerships with 18 Danish civil society organisations to report how much funding they allocate to local organisations and their plans for strengthening local leadership. Like the United Kingdom, it allows a portion of grants to be used to cover overheads for local partners and caps headquarter spending for Danish aid organisations at 20% to encourage increased flow of funds to local actors.

**Decentralising decision making and promoting autonomy in country offices to support more locally responsive and adaptive partnerships.** Country offices remain the main channels for DAC members to provide direct (including core) funding to local actors and engage with them in the development of programmes (see Section 5). Decision-making autonomy at the embassy/country office level is a key feature of locally led practice, if this autonomy and flexibility is passed on to local actors. Devolving decisions to the appropriate level and providing staff with a conducive environment that empowers them to take politically informed and

contextually responsive decisions is critical, including with regards to the identification and selection of local partners. For example, Ireland has a highly decentralised system, with appropriate programmatic autonomy being given to Irish country missions and national grant managers, which have a long history of collaboration with local actors and are perceived as trusted and principled partners. This enables Ireland's continued engagement with local actors in increasingly challenging environments (e.g., Vietnam, Cambodia and Laos). Elsewhere, Denmark introduced a new management approach in 2019 to enable greater agency in decision-making for its embassies. Other examples of decentralised systems include: the [United Kingdom](#), [Sweden](#) and [Iceland](#).

### ***Strengthening internal management structures, staffing, capacities and skills***

**Ensuring that staff have the resources, time, and capacity to manage differently.** A central challenge facing DAC members in their efforts to institutionalise locally led development is ensuring they have the appropriate staffing levels, skills (including soft skills) and expertise in place to work more directly with a range of local stakeholders. Locally led development co-operation is often considered a more "staff-intensive business model" for members, due to associated efforts to identify relevant partner, the increase in the number of grants, as well as the accompaniment that may be required when working with new partners ([Ingram, 2022](#)). USAID's [Acquisition and Assistance \(A&A\) Strategy](#) has an emphasis on "enabling, equipping, and empowering the A&A workforce" to support the localisation of USAID's international assistance. This is based on an understanding that reaching their 25% target will involve working with a larger number of smaller organisations, as well as organisations that are unfamiliar with their systems and requirements. To meet these needs, between Financial Years 2021 and 2023, USAID created 69 new A&A positions, and further resources were provided to the A&A workforce to support locally led development by communicating more regularly and directly with partners.<sup>16</sup> DAC members can also create space and time for their workforce through streamlining initiatives. For example, the Netherlands' [streamlined development co-operation portfolio](#) has freed up time for technical and policy engagement by limiting the number of activities staff engage in, and increasing project size and duration.

**Strengthening the soft skills and cultural understanding of DAC member staff.** The diversity of local actors, cultures and ecosystems presents challenges in terms of understanding and access, including power dynamics. In response, DAC members are equipping staff to understand local political economies and enhance their contextual knowledge for programming, as reflected in efforts towards [thinking and working politically](#). Some DAC members, including Belgium, are using regular listening platforms, [immersion techniques](#),<sup>17</sup> and consulting local staff to understand local perspectives. For example, in New Zealand, staff are being upskilled in Māori familiarity, including through language training and courses on historical relationships. Other DAC members, such as Switzerland, are drawing upon cultural mediators to translate different forms of climate knowledge in local contexts (Box 5.3) or providing staff training. Switzerland's "" policy mandates sensitising and training staff, for example on the drivers of poverty and exclusion, as part of regular project management training (OECD, 2021). Other initiatives include USAID's efforts to build soft skills and increase the diversity of capacity by enabling a more [diverse, equitable, inclusive and accessible workforce](#).

**Establishing a strong country presence that draws on the knowledge and experience of local staff.** Efforts to increase partnerships with local actors may require increased human resources in missions or partnerships with local intermediaries. Switzerland's support for national and local humanitarian organisations in Myanmar and Ukraine demonstrates the value of having in place large, dispersed country teams, composed of empowered local staff in technical roles. [Germany, Ireland, Sweden, Switzerland and the United States](#) have all created senior roles for local staff. This has contributed to better understanding of country priorities and needs. The [United Kingdom](#) regularly reviews which skill gaps can be filled by local staff or regional recruits and allows local staff to move between country offices (OECD, 2021). The presence of local advisors, who are not rotated, allows for long-standing relationships and the application of deep contextual knowledge, for example as seen in the Polish Solidarity Fund.



## Box 2.2. Prioritising country presence and local staff (Poland & Australia)

Through its “Solidarity Fund,” Poland aims to work closely with local partners to drive more systemic change. It does this by investing in country presence and local staff. It established three local representative offices in Moldova (2012), Georgia and Ukraine (2019) and except for country directors, these offices are staffed by nationals of the respective countries. Investment in local staff generates ownership and commitment, supports the development of local networks, and builds trust with local and central administrations.

In addition, the “Vanuatu Skills Partnership,” a joint initiative by the Governments of Australia and Vanuatu, is led and implemented by a national team that has been a catalyst in influencing the implementation of key government strategies and policies. The Partnership aims to support Vanuatu’s Technical and Vocational Training (TVET) sector, for which Australia has been providing support since 2005 (Australia, 2024). Whilst initially an international “managing contractor” was engaged, its inflexible systems, processes and working arrangements, along with the dynamics between international and local staff, resulted in switching the international contractor to a “support contractor role,” allowing local staff to take the lead, increasing flexibility, whilst allowing international technical staff to provide technical support in priority areas determined by the local team.

Source: (OECD, 2023; OECD, 2023).

**Supporting the integration of locally led development across functions, teams and geographies, and clarifying management structures.** Whilst several DAC members have established internal champions or focal points for locally led development co-operation as well as cross-sectoral technical working groups, formal management systems to promote the integration of locally led development co-operation across existing structures have yet to be established. Making progress in this area, DAC members can build on existing integration efforts. For example, the SDC [“Fit4Purpose”](#) reorganisation aims to foster an enhanced nexus approach by integrating humanitarian and development personnel within the same geographical units, creating opportunities to move towards more integrated learning, practice and skills development for locally led development. Smaller administrations, such as [Denmark, the Slovak Republic and Ireland](#), ensure a regular rotation of staff between policy, programming and support functions, as well as between headquarters and overseas posts (OECD, 2021). In Ireland, this regular rotation has contributed to strengthening the capacity and thematic knowledge of staff, who tend to have a good general knowledge of both headquarter and mission functions. Rotation also creates the opportunity to promote cross-sector, multidisciplinary and integrated expertise on locally led development co-operation, across these different teams, functions and geographies (Ireland deep dive).

### 3. Strengthening financing mechanisms

#### *Contextual influences and constraints*

**A key enabler for locally led development is to channel resources more directly to local actors and/or to ensure that funding is flexible, long-term, predictable and promotes local agency and sustainability.**

The quantity and quality of funding alongside the funding channel and modality can reflect the extent to which development co-operation is locally led and the degree of agency local actors have in aligning ODA to their own priorities and therefore in framing and designing development co-operation. <sup>18</sup>

**At the global level, there has been a surge in commitment to channel high-quality funding to local actors but application has had mixed success.** Global commitments include: i) the [Grand Bargain](#) core commitment 2.1 “to increase and support multi-year investments in the institutional capacities of local and national responders” in humanitarian aid; and ii) the [Donor Statement on Supporting Locally Led Development](#), which commits signatory DAC members to: “work to channel high quality funding as directly as possible to local actors whilst ensuring mutual accountability for the effective use of funds.”<sup>19</sup> Despite global and national funding commitments for locally led development, provider funding choices do not always favour local actors, **funding flows to local actors are consistently falling short of targets**, and in some cases funding flows to local actors have actually decreased for some DAC members (OECD, 2023) .

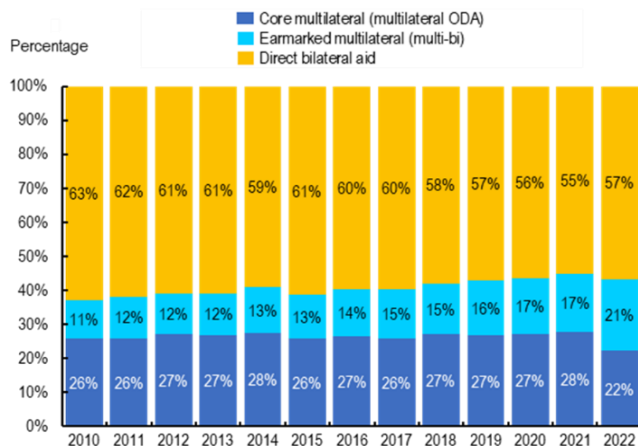
**Against a backdrop of falling total bilateral ODA, funding flowing to international intermediaries (multilaterals and DAC member NGOs) increased.**<sup>20</sup> In 2022, 43% of ODA was channelled to and through multilaterals (UN and IFIs) compared to 38.5% in direct bilateral aid (see Figure 6) with predictions that by the early 2030s, the multilateral system could become the predominant channel of DAC members’ (OECD, Multilateral Development Finance Report, 2024 (forthcoming)). This trend has the potential to undermine local actor ownership and autonomy in aligning ODA to their own priorities when compared to direct budget support, core contributions, and decentralised/subnational support (see Box 3.1). A cost-efficiency analysis by the Share Trust and Warande Advisory Centre – [Passing the Buck](#) – calculated that local intermediaries could deliver assistance programming that is 32% more cost efficient than international intermediaries, without the higher international overhead and salary costs. At the same time, a recent review of ten DAC members found that over 90% of civil society support is channelled to organisations from provider countries (Shift the Power Movement, 2024).<sup>21</sup> This is attributed to pressure to reduce the number of contracts, increase budget ceilings and is identified in the report as a central obstacle to pursuing locally led development strategic objectives. In response to this trend, local actors are increasingly calling for innovative funding models that work towards centering diverse forms of local agency, and recently shared an [open letter](#) to the OECD DAC with an urgent call to “end discriminatory funding against Global South CSOs.”

**Poor quality of funds<sup>22</sup> channelled to local actors can challenge local agency and locally led development.** [Grand Bargain beyond 2023](#) identified that flexible funding and long-term support to local stakeholders, rather than narrow, project-based funding, enables partners to transform their needs and goals into tangible positive outcomes in their communities. It also highlighted that despite progress empowering local and national actors, challenges persisted with the provision of flexible and multi-year funding. Likewise, funding provided as core support, multi-year and flexible is considered most conducive to helping local actors operate as development actors in their own right (OECD, Funding Civil Society in Partner Countries: Toolkit for Implementing the DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance, 2023). However, DAC members emphasise multiple barriers to directing more high-quality funding to local actors including: i) legislative and regulatory constraints in provider and partner countries; ii) fiduciary risks such as gaps in local actor financial monitoring and reporting mechanisms; iii) ODA commitments and existing earmarks precluding the ability to respond to local priorities flexibly; iv) the ability of large multilateral agencies to disburse sizeable funds with speed and predictability; v) the complexity of funding a larger number of organisations; vi) local actor absorption capacity of external funding; vii) heavy reporting requirements; viii) limited flexibility in budget and financial agreements, including in the provision of overhead costs; ix) gaps in provider capacity to manage direct funding relationships; xi) resistance among

provider-country CSOs; and xii) difficulties identifying local actors.<sup>23</sup> Gaps in long term, core, predictable and flexible funding are therefore consistently identified by local actors as constraining their ability to respond to changing contexts and needs and undermining local actor sustainability.<sup>24</sup>

**Table 1: DAC member ODA funding trends**

**Figure 6: Evolution of DAC member bilateral and multilateral funding**



**Decrease in direct bilateral aid:** 63%(2010) to 57% (2022) of DAC member ODA.

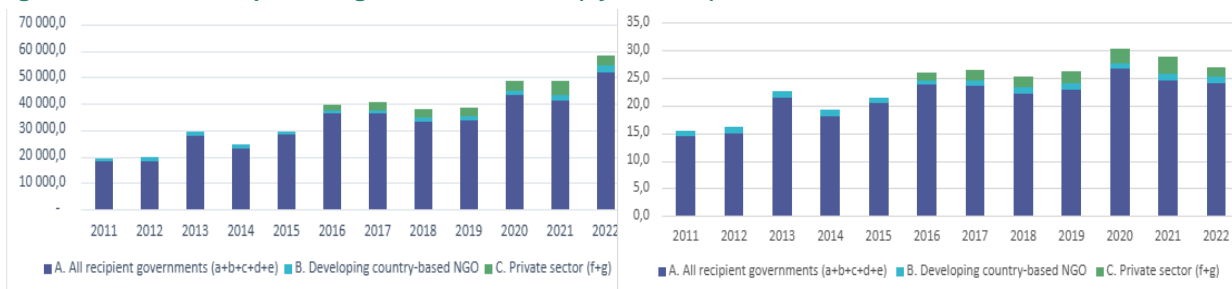
**Rise in multilateral funding:** from 37% (2010) to 43% of DAC member ODA (noting the reduction in core funding but rise in earmarked).

Source: (OECD, Multilateral Development Finance Report, 2024 (forthcoming)).

**DAC member bilateral aid:** a significant increase in volume/quantity but not as a percentage of ODA.

- **Partner recipient governments** (e.g., central, local): increased from 15% (2011) to 24% (2022) of bilateral ODA with volumes increasing from USD 18,247.7m to 51,938.8m.
- **Local NGOs:** nearly a 100% increase in volume USD 1203.5m (2011) to USD 23891.1m (2022), but only a 0.1% increase in bilateral ODA share.
- **Local private sector:** increase from 0% or USD 210.4m (2011) to 1.7% or USD 3,685.4m (2022).

**Figure 7: Volume and percentage of bilateral ODA (by channel) directed to local actors\***

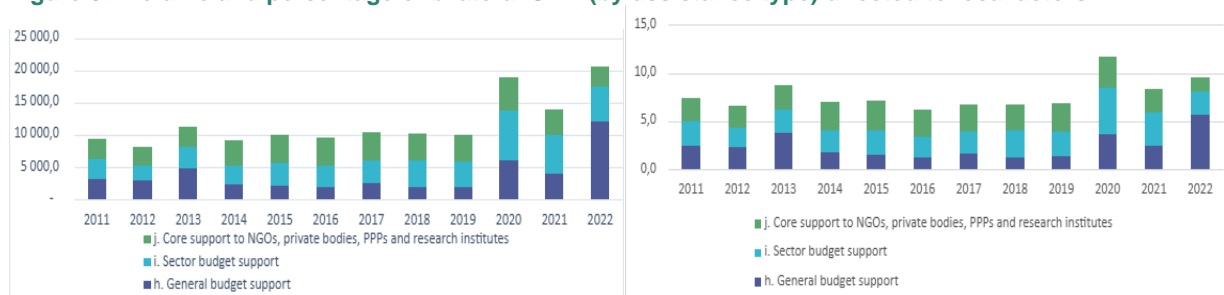


\* Note: The remaining % of bilateral aid is channelled amongst other donor governments, international NGOs, private sector in provider countries.

Source: (CRS, 2024 - unpublished) (constant prices 2021).

- **Increase in general budget support:** 2.4% (2011) to 5.6% (2022) but decrease in sector budget support (2.6% to 2.5%).
- **Reduction in core support to NGOs, private bodies, public/private partnerships (PPP):** 2.5% (2011) to 1.4% (2022) of ODA alongside an increase in volume/flows.

**Figure 8: Volume and percentage of bilateral ODA (by assistance type) directed to local actors\***



\*Note: The remaining % of bilateral assistance is provided to amongst others, pooled funds, technical assistance in donor countries, donor country personnel.

Source: (CRS, 2024 - unpublished) (constant prices 2021).

**Politically constrained contexts<sup>25</sup> can create both opportunities and challenges to fund local actors differently.** The deep dive findings highlighted four main funding channels used to adapt to challenging contexts by DAC members. These include: i) **bypassing national-level actors** (including national authorities) and working with subnational actors – sometimes considered more legitimate or less problematic partners – for engaging in dialogue and co-ordination; ii) **working through multilaterals** when the risk of direct partnerships with local actors is considered too high given multilateral flexibility to engage directly with local actors including national authorities; iii) **shifting funding towards civil society**, directly or via local intermediaries to support local initiatives, expand civil society space, and uphold rights; and iv) **focusing on humanitarian funding**, which is often the default option in conflict-affected and fragile settings with DAC members bypassing direct government support (see Ethiopia deep dive).

## Enablers

**Good practices that DAC members are implementing in relation to financing mechanisms to enable locally led development co-operation focus on:** i) increasing financing flows; ii) adapting and diversifying financing channels and modalities; and iii) improving financing quality.

Figure 9: Enablers: Financing mechanisms

ENABLERS	GOOD PRACTICES	EXAMPLES
<p><b>Increasing financing flows</b></p>	<ul style="list-style-type: none"> <li>Establishing <b>policy commitments</b> to increase flows to diverse local actors</li> <li>Applying <b>feminist principles to funding</b> to increase flows reaching women's organisations</li> <li>Increasing <b>core funding</b> flowing to local CSOs</li> <li><b>Localising procurement</b></li> <li>Facilitating <b>autonomy of country offices</b> in financial decision-making</li> </ul>	<p>Netherlands: women's fund</p> 
<p><b>Adapting &amp; diversifying financing channels &amp; modalities</b></p>	<ul style="list-style-type: none"> <li>Channelling ODA <b>directly to partner country central governments</b></li> <li>Mobilising <b>sovereign loans</b></li> <li>Channelling ODA <b>directly to partner country local government &amp; non-governmental actors</b></li> <li>Supporting <b>multi-partner pooled funds</b> at all levels</li> <li>Supporting <b>diverse grant mechanisms</b> that provide rapid funding or fund innovative local projects</li> <li>Providing <b>direct support to local intermediaries</b></li> <li>Supporting <b>community agency</b> within funding streams</li> </ul>	<p>Multi-partner pooled fund in Ethiopia</p> 
<p><b>Improving financing quality</b></p>	<ul style="list-style-type: none"> <li>Providing <b>predictable, flexible, multi-year funding</b></li> <li>Providing <b>long-term funding</b></li> <li>Influencing <b>multilaterals to "pass on" funding</b> using funding agreements</li> </ul>	<p>Australia: quality funding for local NGO BRAC</p> 

### Increasing financing flows

**Establishing policy commitments to increase the level of funding flowing to diverse local actors.** Committing to increasing the quantity of support to local partners, through a variety of funding modalities, can signal attempts to significantly shift power and establish more collaborative partnerships (OECD, 2023). For example, in its Development Co-operation Principles, Norway committed to “explore methods for shifting more of the funding and the decision-making to the local or national level” (Norad, 2018). Some providers are choosing to set a target or commit a minimum threshold for the level or percent of funding they will allocate to local actors, including partner-country civil society. In 2018, France’s Inter-ministerial Committee for International Co-operation and Development (CICID) set a target of doubling ODA to partner-country CSOs by 2022 (CICID, 2018).

#### Box 3.1. Committing to increase direct funding to local partners (USAID)

In 2021, USAID announced its commitment to **shift one-quarter of its funding (25%) directly to local partners** by 2025 and to have **at least half of its programmes create space** for local actors to exercise leadership over priority setting, activity design, implementation, and defining and measuring results by 2030. The first status update in 2022 found that direct local funding to individuals, organisations or corporations reached nearly USD 1.6 billion, or 10.2% of obligations - the **highest level and percent of direct local funding** in at least a decade. One way that USAID Missions are navigating this shift is through transition awards (an award to a local partner that has previously been a subrecipient or subcontractor of a USAID award that focused, in part, on developing the capability of that local organisations to partner directly with USAID). For example, in 2019 USAID used a transition award to directly fund the Pakachere Institute of Health and Development Communication, a Malawian NGO, following support to strengthen its capacity to manage US government funds and implement HIV programmes. In its first year as prime partner, Pakachere has exceeded its HIV programming targets and is expanding its work to include 12 clinics in four regions.

Source: (USAID, 2023).

**Applying feminist principles to funding to increase flows reaching women’s organisations.** Feminist approaches to funding create opportunities for shifting and transforming power in partnerships and address the lack of funding for women’s rights organisations (WROs), feminist movements and other representative organisations (e.g., LGBTQIA+, disability). Whilst WROs and feminist movements are well-placed to address the structural and societal drivers of gender inequalities and deliver transformative change, they often face backlash, legal and systematic barriers, are not always included in decision-making processes, and are continuously under-resourced. Gender transformative programming and locally led development are clearly aligned in their principles and can be mutually reinforcing. However, managing small grants to several local organisations can be labour intensive for development co-operation partners, and therefore new efforts to support WROs are emerging. The Netherlands has implemented several programmes including the [“Leading From the South”](#) (LFS) programme, which is a feminist funding alliance led by four women’s funds in the Global South and the “” grant instrument. The feminist funding principles applied by the four women’s funds in the LFS alliance ensure that grant making is driven by the needs and priorities of the feminist movement, whilst the flexibility of funds allows for adaptable and responsible allocation of resources. Similarly, Australia supports the Fiji Women’s Fund, which partners with diverse local organisations to reach marginalised women, including in rural and remote areas. Direct funding to feminist and women’s rights organisations is a crucial aspect of the Fund’s efforts to realise the rights of women, girls and gender non-conforming communities (Australia, 2024). Following successful implementation of its “Localisation Strategy,” the Fund successfully registered as a Fijian independent entity in 2021.

### Box 3.2. Investing in women’s funds

There are multiple women’s funds in existence at the global, regional, national, and thematic level that are driving progress on shifting resources to local movements to support those excluded from formal decision making. [Mama Cash](#) was one of the frontrunners, established in the Netherlands in 1983, and supports women, girls, trans and intersex people in their fight for their rights. It is supported by multiple foundations, the Dutch Ministry of Foreign Affairs (MFA), Sweden and GAC. Similarly, [Prospera](#), the international network of women’s funds, supports and advances local women’s organisations to transform lives and respond to the most pressing community needs alongside the [Global Fund](#), which aims to provide more philanthropy resources through multi-year, unrestricted, flexible grants for grassroots gender justice movements. Further, through the [Support Fund for Feminist Organisations](#) (FSOF), launched in 2020 within the framework of its “International Strategy for Gender Equality,” France committed to supporting local feminist CSOs. Finally, Canada’s support for the Equality Fund Initiative provides an example of how international intermediaries can enable GAC to reach a network of organisations (which would otherwise not have access to funds) whilst mutually supporting gender-responsive and transformative approaches with locally led development principles and processes.

**Increasing core funds flowing to local CSOs.** Providing funding to civil society as core support (also described as institutional, budget, strategic, unrestricted or unearmarked), can enable the strengthening of independent, pluralist, civil society in partner countries (OECD, 2023). Yet overhead costs are not always covered for local CSOs taking part in programmes or they are covered with smaller percentages than received by international CSOs (ibid). This reduces possibilities for local actors to participate in activities that are not directly covered by project funds, such as dialogues with authorities and project proposal drafting, with significant impact on the ability of CSOs to form equitable partnerships (The Share Trust; Warande Advisory Centre, 2022). Further, organisational independence and sustainability is dependent upon having funds to cover staff resources and administration costs (e.g., staff, office costs and operations) and institutional capacity strengthening according to self-defined priorities. Core funding can strengthen local ownership by allowing recipients to control resource allocation and prioritise accountability to their constituencies and form true partnerships in which funds are granted on a basis of trust and solidarity, supporting them as independent actors to realise their goals and missions (Boyes-Watson cited in OECD, 2023<sub>[13]</sub>). There is increasing recognition that a one-size-fits-all approach may not suit all CSOs, and core funding can either be linked to strategic plans, business plans or expansion, and support delivery of local mandates or it can be earmarked

core funding, dedicated to a particular service, mandate or geography, and can develop and strengthen organisational capabilities.

Whilst generic guidance exists on providing core funding to CSOs,<sup>26</sup> and some DAC members, such as Sweden, have developed their own guidance, providers have made limited progress in terms of developing organisational policies on covering overhead/indirect costs for partner-country CSOs, (OECD, 2024, forthcoming). Sweden has updated its guidelines to Swedish strategic partnership organisations, which requires reporting on shares of total budget disbursed to the local partner, irrespective of whether the disbursement is made directly or through other Swedish or international partners (Sida, 2019). Similarly, the [Peace Support Fund in Myanmar](#), a multi-donor trust fund including the UK FCDO and Australia, has a programme specifically focused on supporting local CSOs with organisational development, independence and sustainability. Likewise, the [Australia-Indonesia Partnership Towards an Inclusive Society](#) (INKLUSI), Australia's flagship gender equality, disability and social inclusion (GEDSI) programme in Indonesia, provides earmarked core funding to eight CSOs. These lead the project and engage more than 60 sub partners to design and deliver activities in line with each organisation's mandate, experience, strengths, networks and community priorities.

### Box 3.3. Directing support to women's organisations (Canada)

In Canada, the Feminist International Assistance Policy (FIAP) has created space for Canada to work more directly with a variety of local women's organisations. Whilst Canada does not currently have the policy cover to provide core funding to non-multilateral organisations, its Women's Voice and Leadership (WVL) Programme integrates flexible capacity strengthening into budgets, based on self-led capacity assessments. Increasing core funding flows is supported by commitments to increase direct funding to local partners. Launched alongside FIAP, the WVL was the first time GAC used feminist approaches to provide multi-year core funding to WROs at scale and for their own purposes. The programme reflects a commitment to "doing things differently" by designing programmes with WRO agency in framing, designing and delivering; being attentive to power relations; prioritising peer learning and the co-creation of knowledge; and taking an intersectional approach. The programme was renewed and expanded in 2023, with an additional USD 195 million over five years and USD 43 million annually thereafter on an ongoing basis. To date, the WVL programme has supported over 1 500 women's rights organisations (WROs) and movements since 2017. The renewed WVL aims to strengthen its approach to locally led development by engaging more implementing partners from the Global South and helping them address barriers that hinder local engagement. For example, in Colombia, Oxfam-Québec exemplifies the role of locally-based intermediaries facilitating implementation by overcoming administrative and procedural barriers, whilst leveraging the intermediary's territorial and thematic expertise. It is successfully providing technical assistance to 13 local organisations and 2 national networks, reaching 77 rural women's groups dedicated to women's rights and gender equality.

Source: Canada deep dive (2023) and Colombia deep dive (2024).

**Facilitating autonomy of country offices in financial decision-making.** Whilst not applicable to smaller funding partners, country offices are seen by many DAC members as the most effective means of working directly with local actors and can have a significant level of autonomy, if provided with sufficient resources and staffing. In addition to being able to develop locally responsive country and regional strategies (see Section 2), grant managers at missions who have autonomy in financial decision-making can provide direct and equitable access to funding for local actors. For example, Ireland is supporting direct and more equitable funding for local actors via its embassies in Vietnam, Sierra Leone and Tanzania.

### *Diversifying financing channels and modalities*

Funding channels and modalities are at the heart of enabling local stakeholders to exercise more agency across development dimensions, including accountability. The peer learning found that many DAC members are trialling different funding models to shift funding more directly to local actors, as an enabler of local actor agency; starting small initially and scaling up as success is demonstrated (Australia, 2024). Key modalities

include: i) direct bilateral donor support to local actors; ii) long-term, flexible core or organisational development funds for local actors; iii) multi-donor pooled funding at all levels (regional, country, programmatic, thematic); iv) rapid, accessible, and participatory funding mechanisms; v) innovative finance instruments including channelling via local intermediaries; and vi) funding guidelines to promote more direct support from international organisations. Regular context analysis, including political economy analysis, has been used to select funding channels alongside provider preference and restrictions, balanced by the preferences of diverse local actor preference (OECD, 2023).

**Channelling ODA directly to partner country central governments.** Channelling funds directly to government treasuries and line agencies through general budget support, sector budget support, or programme specific direct financing support has the potential to be one of the most locally led instruments of development co-operation, if providers do not look to control the outcomes of local decision-making (Swedlund, 2013). This approach can enable national-level impact and efficiency gains, and reduce parallel project systems and duplication. It has proved efficient in response to the need for fiscal space in partner countries since the COVID-19 pandemic. For example, Australia's COVID-19 Budget Support Package and Pacific Direct Financing Fund (Australia, 2024) highlight the growing use of this modality. Similarly, Ireland provided direct support to the Ethiopian parliament in 2019 to aid an extensive reform process, including the 2019 law relaxing the tight controls on CSOs, exemplifying systematic locally led development support. The Polish Aid Solidarity Fund, which is able to sub-grant to local partners, further helped national authorities to finance locally designed development instruments, including Local Action Groups in Moldova from the state budget and to implement the [LEADER](#) programme as a public policy to boost local economic growth (OECD, 2023). Co-financing projects with government actors can also have advantages in terms of sustainability, shared responsibilities and increasing local actor agency from framing and priority setting to implementation. For example, for the second phase of the Strengthening Representative Bodies in Mongolia (SRBM) programme, Switzerland partnered directly with three separate government entities, who also funded 50% of the respective projects. The projects included peer-to-peer exchange on topics chosen by the Mongolian Secretariat with the Swiss parliamentary services, and highlighted that sustainability and co-financing was facilitated by working directly with Mongolian entities (SDC, Strengthening Representative Bodies in Mongolia: Phase II (Exit Phase), 2022 (unpublished)). Finally, the US [Millennium Challenge Corporation](#) (MCC) model is a further example of central government co-operation, which supports locally identified priorities, including through five-year grants, founded on country ownership and accountability (Millennium Corporation Challenge, 2024).

#### **Box 3.4. Providing budget support for Pacific governments to respond rapidly to COVID-19 (New Zealand)**

New Zealand provided emergency fiscal budget support to help 12 Pacific small island developing states (SIDS) to maintain stability and recover from the COVID-19 pandemic. This included four countries where New Zealand did not have reform-linked budget support programmes in place, and whilst rapid deployment precluded in-depth dialogue on policy reform, the approach allowed partner governments to finance priority measures. As a result, a COVID-19 package of NZD 50 million was rapidly delivered, allowing partner government-driven recovery and facilitating governments to finance priority measures such as economic stimulus packages, social protection payments and support for small business particularly tourism. Not only did it maintain stability of state institutions and public services, but it strengthened relationships between its Ministry of Foreign Affairs and Trade (MFAT) and affected partner countries. New Zealand intends to increasingly use this experience of emergency fiscal budget support, as well as its existing reform-lined budget support, for channelling part of its scaled-up climate financing.

Source: (OECD, 2023).

**Mobilising sovereign loans.** Given their implication on national budgets, sovereign loans imply strong national ownership and alignment to governments priorities and mobilise national financial management systems. For instance, France's and Japan's approaches to loans are committed to country ownership, seeking to achieve mutually beneficial partnerships, and take a recipient-driven approach. Japan's use of



partner country financial management systems for loans is significantly higher than the Development Assistance Committee (DAC) average. Similarly, the deep dive in Ethiopia showed that, prior to the more recent tensions, direct government loans/budget support from funding providers allowed the government primary and direct responsibility to spend “their own money”, which is in line with the locally led agenda. Equally, the approval system for reimbursable grants ensures a high degree of alignment with country priorities, policies and effectiveness in Colombia. By implementing clear eligibility and evaluation criteria, projects financed through reimbursable co-operation are contributing effectively to territorial socioeconomic development plans and therefore local actor agency and ownership in framing, design and delivery.

**Channelling ODA directly to partner country local governments.** Decentralising support and establishing agreements with subnational governments was identified by several DAC members as an important modality for supporting locally led development, particularly in politically constrained contexts.<sup>27</sup> Working with local governments, and their established systems for engaging community actors, has been identified as more effective than building parallel systems. For example, the “Governance for Resilience (Gov4Res)” programme in the Pacific is transitioning to local governments administering its small grants fund rather than a parallel system of support. Similarly, whilst direct financial support is not legally possible in Ethiopia, new programmes (including the sixth phase of the PSNP) are linking and establishing agreements with subnational governments enabling the granularity, adaptation and tailoring of programmes to the specific needs and priorities of the sub-region. In Nepal, which transitioned to a federal structure of government in 2015, federalisation has enabled opportunities for direct DAC funding to local governments. The reforms have provided subnational governments with increased opportunity to frame and design development based on local priorities and challenges. For instance, Finnish Aid in Nepal works in the WASH (water sanitation and hygiene) sector and requires local governments to co-fund projects to secure ownership and accountability. Other good practices include Iceland’s programme-based approach at the district level (OECD, 2023) and the [Integrated Territorial Approach](#) supported by the Alliance Sahel (which includes Japan, Belgium, Ireland, Switzerland and Finland). Spain is committed to work directly with public authorities as implementers. For example, through its bilateral partnership frameworks (Marcos de Asociación País – MAPs) and to ensure alignment and ownership, Spain co-drafted manuals with local authorities on the management of funds channelled by the government. France is also experimenting with non-sovereign loans, enabling diversification of public counterparts within the country.

**Channelling support directly to local non-governmental actors.** Whilst OECD CRS statistics show only a minor increase in support to local NGOs (between 2011 and 2022, a 0.1% increase in bilateral ODA) and slightly larger increase for the private sector (between 2016 and 2022 a 1.7% increase in bilateral ODA) (see Figure 7), DAC members highlighted several examples of direct support to both local NGOs and the private sector. For example, in Nepal, USAID is deploying grant mechanisms that allow them to support local actors (in this case, the private sector and NGOs) working on a specific venture. This is facilitated by USAID’s new [Acquisition and Assistance Strategy](#), which promotes a diverse set of tools including simplified grants, fixed amount awards, and renewal awards to increase engagement with local organisations. Switzerland, which benefits from no legal restrictions on funding partners, also has significant flexibility to partner with a variety of local actors directly. For example, in Myanmar, following the coup and erosion of civic space, SDC was able to transfer funds directly to a local despite challenges related to increased government scrutiny on money transfers to bank accounts. Similarly, after several years of support in Mongolia, SDC successfully transitioned the project “Green Gold and Animal Health” (GGAHP) programme to the main partner, a local NGO (the National Federation of Livestock Breeders), who continued leading the project but with diversified sources of funding (SDC, 2021 (unpublished)). Other examples include the Netherlands, Sweden and France, who provide a wide range of [instruments tailored to the specific needs of CSOs](#). These include the [CSO initiatives fund](#), which provides grants to support CSO capacity strengthening and thematic co-financing, and the [Fund for Innovation in Development \(FID\)](#), an innovative development financing mechanism, which supports experimentation and impact evaluation and the scaling up of proven innovations. Denmark has introduced a new [requirement](#) for its strategic partners (18 Danish civil society organisations) to report how much funding they allocate to local organisations and their plans for strengthening local leadership. In terms of the private sector, FCDO has been using a “[Separation of Functions](#)” approach in the social protection sector, to

understand the role of local actors (including from the private sector) in components of cash transfer delivery systems to priority households (Cabot-Venton & Sammon, 2020). Similarly, France has made local CSOs eligible to AFD's funding "[CSOs initiative](#)".

**Supporting thematic or programmatic multi-partner (pooled) funds.** Multi-partner funds can be useful to efficiently pool resources from an array of development partners to meet a shared goal (OECD, 2022). They are particularly important in fragile or crisis contexts, where bilateral instruments may be insufficiently adapted, and monitoring arrangements complicated by security constraints. Rather than investing in a parallel multi-partner fund, DAC members are supporting and scaling existing systems. For example, in Ethiopia, DAC members are supporting and scaling the existing government [Productive Safety Net Programme](#) (PSNP) via a multi-partner pooled fund. Multi-partner funds can also provide useful entry points for trying new ways of working, piloting innovative projects, and encouraging system-wide reforms by supporting innovative or emerging policy areas, in which individual partners do not have the necessary competencies. For example, the [Iraq Reform, Recovery, and Reconstruction Fund](#) (I3RF) was founded in partnership with the Government of Iraq in 2018 and is managed by the World Bank. Its principal funders are Canada, Germany, Sweden and the United Kingdom, and its focus is on promoting targeted national reform and improving the effectiveness of public and private recovery investments (OECD, 2022). Similarly, "[Amplify Change](#)" is an example of an effective, specific-purpose set-up that delivers funding to local organisations. It supports hundreds of CSOs across Africa, South Asia and the Middle East and advocates for improved policy and action on sexual and reproductive health and rights (SRHR). Supported by several foundations and Denmark, the Netherlands, Norway, Sweden and the United Kingdom, grant-making is at the core of their work ensuring support to civil society organisations to create change in their communities through innovative approaches, including through organisational strengthening and sharing knowledge for advocacy.

### **Box 3.5. Using a multi-partner programmatic fund in Ethiopia to support civil society**

The Civil Society Support Programme (CSSP) uses pooled funds to spread efficiencies, share risks, provide a critical financing mass, and support smaller DAC members unable to offer direct funding (such as Austria) to improve their locally led development commitments. The CSSP is a multi-donor pooled fund, managed by the British Council, which provides grants and capacity strengthening to local CSOs and has engaged with key government stakeholders to help create space and platforms for effective civic engagement and learning. During its first phase, it supported more than 600 organisations, facilitated implementation of the 2019 CSO law (aimed at creating a conducive civic space), and is widely appreciated for the flexible support it has provided for civil society to continue and grow despite the complex context.

Source: Ethiopia deep dive.

**Supporting national pooled funds as a conduit for reaching local actors.** National or country humanitarian pooled funds are increasingly identified as an important conduit for channelling more direct humanitarian funding to local actors (NRC, 2022).<sup>28</sup> Initially challenged by only meeting the lowest common denominator of accountability and flexibility, more recent innovations are seeking to promote local actors in fund management leadership positions and through more direct support (Conducive Space for Peace, 2023). For example, Ireland and Switzerland have provided considerable support for pooled funding mechanisms, the former including 14 Country-Based Pooled Funds (CBPF) (constituting 25% of the Humanitarian Unit's humanitarian spending), and these are considered an important and flexible source of funding for local organisations in crisis and conflict-affected settings. This modality can be leveraged as an opportunity to reshape the humanitarian financing landscape, direct funds to frontline responders, and enable decision making closer to humanitarian needs (Els, 2019). To maximise the full potential for national/subnational pooled funds, and to circumvent the limited accessibility, small grant size, short term, and heavy transaction costs for local and smaller organisations, who rarely qualify to receive direct funding (Carter, 2018), funding partners are moving towards "**alternative pooled funds**" and/or **increasing access of funding pools to local actors**, for example in Northern Syria. Switzerland has also successfully advocated for simplified and streamlined due diligence requirements of CBPFs (e.g., in Ukraine and Myanmar) to increase access for smaller organisations.

### Box 3.6. Increasing local actor access to the AFNS Pooled Fund in Northern Syria

The Aid Fund for Northern Syria (AFNS) is a new USD 80 million multi-donor pooled funding mechanism that channels more funding to local actors. Established as an alternative to the UN pooled fund, given cross-border uncertainties, it is supported by seven donors including FCDO. The Share Trust helped develop a [Localisation Strategy](#) for the pooled fund to help shift power and funding to local actors and to prioritise and channel funding to smaller, grassroots organisations not registered in Türkiye, making it possible for them to bypass eligibility criteria. As a result of the Strategy, the AFNS will only fund interventions that **provide full pass through of overheads to local partners**, ensuring that indirect support costs<sup>29</sup> charged to a project are allocated in proportion to all subgrantees.

Source: (The Share Trust, 2024).

#### **Supporting diverse grant mechanisms that provide rapid funding or fund innovative local projects.**

DAC members have been exploring rapid and accessible small grants, which aim to provide relevant, tailored, and readily accessible support for local actors, with flexible funding to allow local actor agency in meeting immediate needs rapidly. Similarly, adaptable small grant mechanisms, which are locally accessible and can finance innovative projects outside broad thematic areas, are being supported by DAC members and help CSOs circumvent lengthy application procedures yet prioritise both innovation and the agency of local actors in framing, design and delivery. For example, through its [Unsolicited Solutions for Locally Led Development \(US4LLD\)](#) programme, USAID provides missions globally with funding to support unsolicited applications from nascent partners that advance locally led development in any sector. To be considered, applicants must have received less than USD 5 million from USAID in the previous five years and are required to show evidence of local demand for, and buy-in to, the proposed activities. A noteworthy example award is in Ecuador, where the programme supports Indigenous organisational leadership, providing self-identified capacity strengthening of community risk management, preparedness and response. This is similar to Ireland's Micro Projects Scheme (ICMPS), which provides country missions with funds to directly support local NGOs to carry out small-scale development projects.

A large number of DAC members invest in challenge funds and prizes,<sup>30</sup> with many of them specifically targeting innovators from partner countries. For example, Luxembourg uses a [challenge fund](#) to solicit local novel solutions to food security and locally relevant digital learning opportunities in the Sahel region, and also supports the African Enterprise Challenge Fund (AECF). Sweden is also providing support to testable and scalable solutions across Sub-Saharan Africa, including to further advance women's social entrepreneurship. However, these approaches can be resource-intensive, particularly given the need for accompaniment. An alternative is for local networks to administer rapid and accessible small grants initiatives (see Box 3.8).

### Box 3.7. Providing rapid funding to partner country CSOs (Canada)

The Canada Fund for Local Initiatives (CFLI) is a decentralised programme that funds over 700 new projects per year, implemented by small civil society organisations in approximately 124 countries. It was set up with the objective of addressing local needs through local partners (87% of projects directly fund local partners). The funding instrument used by CFLI involves small contributions (averaging USD 33 000), enabling the programme to avoid heavier due diligence and compliance processes which are applied to larger projects. The application and reporting requirements focus on enabling more recently formed and smaller organisations to more readily accessible funding for project-based activities. This enables agility in responding to local priorities, with an ability to approve budget adaptations within 24 hours. However, a recent [evaluation](#) of initiatives between 2015 and 2021 highlighted that the accompaniment provided by the country missions to local partners in CFLI projects requires significant staff time, and the short-term nature of the projects undermines options for supporting long-term equitable partnerships.

Source: Canada deep dive.

### Box 3.8. Administering rapid funding through locally-based networks (Foundations)

The [Start Network](#) is one of the fastest humanitarian financing mechanisms, and is supported by a range of funding partners including the United Kingdom, Ireland, the Netherlands, Germany and Jersey along with several foundations.<sup>31</sup> Similar initiatives supporting local innovations and accessibility to local organisations include the [Change Fund](#) initiated by the Network for Empowered Aid Response (NEAR), funded by the Hilton Foundation, which provides an accessible disaster response fund dedicated to local and national organisations.<sup>32</sup> Likewise, adaptable small grant mechanisms supporting local innovation include the [CIVICUS solidarity Fund](#) and the [Local Action Fund](#).

**Providing direct support to local intermediaries.** As noted earlier, local intermediaries could deliver assistance programming that is [32% more cost efficient](#) than international intermediaries, without the higher international overhead and salary costs (The Share Trust; Warande Advisory Centre, 2022). The [Local Coalition Accelerator Model](#) funded by several foundations, and implemented in Uganda, Kenya, Ethiopia, Nigeria and Bangladesh (see Box 4.6), is an approach that supports coalitions of local and national actors to create shared governance systems, design their own Joint Action Plans based on community priorities, and ultimately to become independent and able to manage funding directly from funding partners. Similarly, the SIDA-funded [Kosovo Civil Society Resource Centre](#) contributes to strengthening other CSOs in Kosovo by conducting regular training modules on governance, advocacy, participation in policy-making, project and financial management, and reporting (Pedersen & Rusi, 2019). In addition, the Netherlands supported the “Leading from the South” feminist fund, mentioned previously, which channels funding directly to four local intermediaries (local women’s funds),<sup>33</sup> who in turn provide innovative and flexible grants to national and grassroots women’s organisations, movements, networks and change agents, and provide critical spaces for South-South learning to advance the human rights of women and girls (Leading from the South).

**Supporting community agency within funding streams.** Community-driven development is one of multiple modalities of project design and delivery, which transfers decision-making agency, and often technical and financial resources, directly to communities or groups of end-users. It is frequently used to deliver basic services, construct and maintain local public goods and infrastructure, maintain common property resources, and plan and manage community budgets (World Bank, n.d.).<sup>34</sup> Similar approaches include Community and Local Development (CLD) programmes, which operate on the principle of transparency, participation, local empowerment, demand-responsiveness, greater downward accountability, and enhanced local capacity. The approach is centred on partnering with communities and local units of government, including putting resources under the direct control of community groups, as a foundation for more efficient and inclusive delivery of basic services. Other promising approaches, with an increasingly strong evidence base, include supporting community structures, for example [Self Help Groups](#), which are platforms for community-driven, collective action supported by a range of DAC members including FCDO.<sup>35</sup> Community collectives are aligned with emerging humanitarian approaches such as [survivor and community-led responses](#) (SCLR), which enable multiple affected groups to respond rapidly to their own differing and changing opportunities and needs, in ways that respect local culture and practices. They draw upon a combination of rapid transfer of microgrants to local communities (including through community collectives), networking of knowledge and capacities, and learning by doing. For example, Denmark provided support for SCLR through community grants totalling USD 335 000 in Myanmar between 2019 and 2020 and reached over 43 000 people (Carstensen , Corbett, & Di Vicenz, 2021).

#### *Improving financing quality*

**Providing predictable, flexible, multi-year funding.** Multi-year funding, founded on long-term partnerships, provides local actors with agency and flexibility to; i) phase approaches to implementation; ii) sequence capacity assistance; iii) ensure greater revenue certainty; iv) attain transformational outcomes as opposed to transactional outputs and activities; v) build opportunities and invest in staff and leadership; and vi) adapt programming as circumstances change (Australia, 2024) (OECD, 2023). For example, New Zealand’s [Partnering for Impact](#) (P4I) programme has significantly refreshed its approach to funding and partnering with

New Zealand CSOs following an independent evaluation and an open and iterative co-design process including local CSOs. A requirement under its Negotiated Partnership approach – multi-year, multi-country, and multi-sector arrangements with larger New Zealand CSOs – is the latter pass on at least 50% of the funding for management support costs to a local partner. New Zealand’s aim is to take a “whole-of-CSO” programme approach to enhancing local partner agency in design, delivering and monitoring of programmes, rather than piecemeal projects to bring greater trust, visibility of risks and challenges, and co-ownership. Whilst several examples, including Ireland’s ICSP programme discussed earlier, focus on providing quality funding to DAC member CSOs, there are emerging examples, where flexible funding is provided to women’s organisations (e.g., Canada’s Women’s Voice and Leadership Programme) and larger partner country CSOs, for example Australia’s support for BRAC in Bangladesh.

### Box 3.9. Providing flexible, multi-year core funding for a large NGO in Bangladesh (Australia)

Australia’s Strategic Partnership Agreement with BRAC, Bangladesh’s largest NGO, demonstrates how development partners can harness innovation and locally led development by using flexible, core funding approaches and collaborative governance to achieve shared objectives. In its third five-year funding phase, the trilateral strategic partnership (with DFAT and Canada) contributes non-earmarked core funding to support the implementation of the BRAC Strategic Plan linked to 17 programmes delivered in multiple sectors, in recognition that BRAC is well positioned to develop tailored and adaptable strategies that are responsive to the needs of the local community. BRAC and DFAT have negotiated a unique and innovative financing mechanism, with local ownership and trust at its core. It allows BRAC to take the lead on determining the funding of programme priorities in consultation with SPA partners, demonstrating a shift to a more equitable, strategic partnership underpinned by a funding mechanism, which allows for more flexibility than project-based funding, and creates an operating environment conducive to innovation.

See: (Australia, 2024).

### Box 3.10. Providing core, multi-year, flexible funding through The Equality Fund (Canada)

Designed to be independent of the Government of Canada, the [Equality Fund’s](#) primary mandate is to support women’s rights organisations and movements that advance women’s rights and gender equality. It provides **core, multi-year, flexible funding** as well as technical assistance, institutional strengthening and network building. It uses a variety of grant-making models with feminist values of collaboration, solidarity and community at the core and has a **strong locally led development focus**, which emphasises shifting and sharing power with feminist movements in the Global South and ensuring women’s organisations have agency in the design and governance of the initiative. The Equality Fund develops **trust-based relationships** with grantees to better understand individual realities, challenges and priorities and has developed a **common reporting framework**, negotiated with its funders to reduce demands placed on grantees, who are also given the opportunity to sign onto the Equality Fund’s code of conduct if they do not have one in place. Since its launch in 2019, it has granted USD 34.9 million to 119 women’s organisations and funds, and to a further 571 women’s organisations through on-grants from the women’s funds in its Global South network. One of the innovations associated with the Equality Fund is its [investment strategy](#), which aims to mobilise funding for grants through market investments.

See: OECD TIPS (forthcoming).

**Providing long-term funding.** Besides flexible funding, long term support to local actors to build trust and genuine partnership is emerging as an important enabler. For example, Sweden has been providing long-term support (for four to five years) to some CSOs in Ethiopia with the flexibility to change activities and even objectives if needed, since early 2000. A recent [evaluation](#) of Sweden’s work across 60 years in Ethiopia confirms that its long-term, stable support has emphasised partnerships rather than conditionality, and has meant that Sweden has played a more active leadership role amongst funding partners than would be suggested by the volume of its assistance. Austria has committed to working through local partners over the long term and for example, in Moldova, it has provided a decade of support for biodiversity conservation to two local NGOs and the Ministry of Environment as part of its support (OECD, 2023).

### Box 3.11. Providing long-term funding for CSOs (Ireland)

Ireland provides long-term, flexible, and predictable funding and high levels of support to CSOs (mostly from Ireland but also international and country-based organisations) working across the humanitarian-peace-development (HPD) nexus. Through its Civil Society Partnership (ICSP) programme, Irish Aid signs multi-year memoranda of understanding (MoU), which provide an agreed amount of funding to partners (including to local governments in fragile and conflict-affected contexts) over a five-year period. This enables partners to engage in more innovative programming and locally led development initiatives and prioritise strategic areas according to their own mandate, comparative advantage and strategic focus. Irish partners can in turn pass on this flexibility in the funding agreements signed with local partners. Benchmarks included by Irish Aid in the MoU with Irish civil society partners have further specified the level of on-granting to local actors (currently 31% across ICSP projects) and the coverage of indirect costs for local partners.

See: (OECD, 2023).

**Influencing multilaterals to “pass on” funding using funding agreements.** Whilst funding partners recognise the importance of overheads, institutional and political factors can act as a barrier to passing through overheads funding from intermediaries to local actors. Ireland has played an important role in influencing how intermediaries enable locally led development co-operation, including mobilising more local funding and quality funding.<sup>36</sup> Because Ireland gives flexible funding to its multilateral partners, it is able to pose critical questions to them about whether they enable flexible, long-term funding for local actors. In line with [IASC guidelines on the Provision of Overheads to Local and National Partners](#) (2022), Canada updated its International Humanitarian Assistance Funding Guidelines for NGO partners in 2021 to enable local implementing partners to receive overhead costs by including a dedicated budget line for up to 7.5% of their direct costs, rather than a share of the overheads allocated to an intermediary partner (IASC, 2022). Finally, Australia’s [NGO Co-operation Programme](#) (ANCP) also ensures that lead partners earmark a percentage of funds for core costs in partner organisations.

## 4. Promoting collaboration and equitable partnership mechanisms

### *Contextual influences and constraints*

**Partnerships are a cornerstone for advancing locally led development and require DAC members to provide an enabling environment wherein the varied resources and comparative advantages of local actors is properly understood.** The [principles for effective development co-operation](#) provide a framework for more equal, inclusive and empowered partnerships, committing convening partners to “development partnerships that are inclusive, and recognise the different and complementary roles of all actors.” This requires that structural power imbalances are acknowledged and addressed, biases around local knowledge and capacities overcome, and partnerships are informed by core values (such as trust, humility, respect, transparency, mutuality, reciprocity) and core behaviours and practices (including mutual accountability and responsibility, co-creation, shared visions) (Peace Direct, 2023); (Kuloba-Warria & Tomlinson, 2023).

**Tokenism should be avoided.** Local community, local government and national government priorities may be difficult to reconcile, particularly when marginalised and vulnerable groups have different needs and views from their national governments. Elites can also have disproportionate influence over community decisions, greater representation in government, and greater access to development actors, including by speaking the same language. One local organisation is not a legitimate voice for an entire population of affected people. Funding a few local actors, especially if these actors are merely executing international partner programmes, does not ensure that the response is crafted by and for individuals. Inviting one local organisation to an international conference does not guarantee that all local concerns are now being heard.

**However, the absence of clear definitions and understanding of partnerships — including “equitable partnerships” – and guiding principles has fostered ambiguity and misunderstanding.** For example, partnerships can be perceived as transactional and technical rather than mutually beneficial and transformative, with Global North actors identified as “using” local actors as subcontractors for implementing externally designed interventions rather than “fostering genuine collaboration and partnership within the local context” with limited consideration to partner transitions to local leadership (Peace Direct, 2023). Indeed, partnerships can often end up reinforcing existing power dynamics, leaving little space for local agency and decision making. The OECD DAC [Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance](#),<sup>37</sup> is therefore a significant milestone for global partnership commitments, with growing momentum through commitments, projects and campaigns to shift power in partnerships.<sup>38</sup> Whilst research suggests that more can be done to enable genuine partners that appropriately leverage local actor knowledge, capabilities and agency (OECD, 2020), questions also remain on enabling locally led development whilst partnering with international intermediaries and rethinking roles. There is, however, growing consensus that equitable partnerships enable locally-led development by “creating ways of engagement where partners recognise, respect, and therefore align each other’s strengths to achieve the best and most effective development outcomes” (Kuloba-Warria & Tomlinson, 2023) .

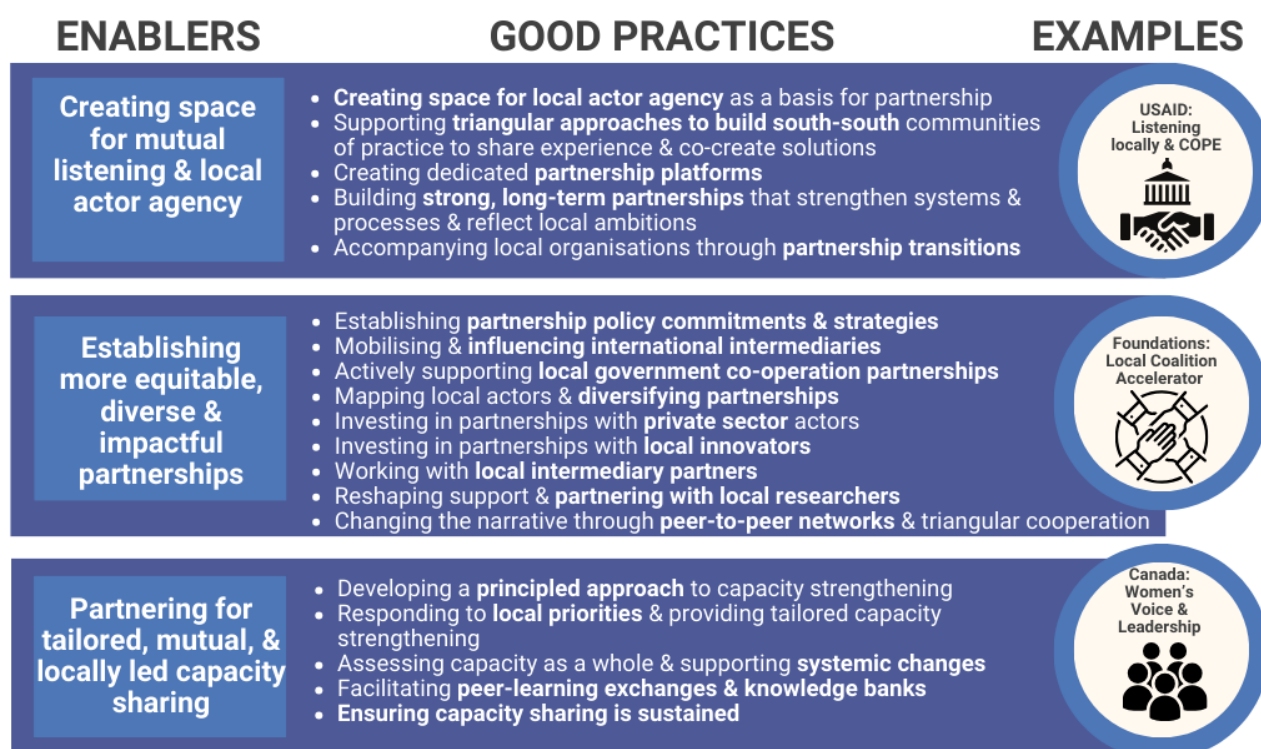
**The emerging evidence base further highlights that equitable partnerships are a critical enabler for valuing local knowledge and capacity sharing, which is fundamental for local actor agency in locally led development co-operation.**<sup>39</sup> Shifting power towards more equitable partnerships and facilitating local actor agency in collaborations and decision-making also means valuing and strengthening the diverse knowledge and capacities of all actors across the humanitarian and development landscape (OECD, 2024 (forthcoming)). Partnership practices that reshape power dynamics will create more equitable spaces for local actor agency and can contribute towards addressing critical capacity strengthening challenges. These include top-down, short-term, one-size fits all, unidirectional, siloed, and project-based approaches to capacity strengthening (linked to funding modalities), gaps in the sharing of knowledge, data, analysis, and sustainable capacity strengthening, and differing views on what is considered valuable knowledge and necessary capacity. DAC members are responding to these challenges by adopting new partnership modalities and collaboration mechanisms, and forging new constellations of partnerships, which reshape power dynamics in partnerships across the system and ultimately support local actor agency. In some politically constrained

contexts, findings suggest that developing these partnerships is particularly important, but challenging to sustain,<sup>40</sup> unless, as is the case of Colombia, civil society is organised and well structured.

## Enablers

**Good practices that DAC members are implementing in relation to collaboration and partnership mechanisms to enable locally led development co-operation focus on:** i) creating space for mutual listening, and local actor agency in framing, design, and relationship building; ii) establishing more equitable, diverse and impactful partnerships; and iii) partnering for tailored, mutual and locally led capacity strengthening.

Figure 10: Enablers: Collaboration and partnership mechanisms



### Creating space for mutual listening and local agency in framing, design and relationship building

**Creating space for local actor agency as a basis for partnership.** DAC members are starting to “step back” and listen to local actors and create space for them to frame discussions, identify priorities and build relationships.<sup>41</sup> For example, the USAID is encouraging greater listening to diverse local actors to understand local priorities, needs and innovative ideas for shaping their communities. In one example from 2019, USAID launched a listening process along the Dominican/Haitian Border with approximately 3 000 community members, using the [Locally Led Development Spectrum](#) as a common framework for understanding how USAID could expand their engagement, form deeper relationships with communities, and lay the groundwork for future locally led partnerships. Similarly, in some contexts, local actors are creating their own space for framing agendas. In Colombia, there is a very strong national and subnational system for development co-ordination.<sup>42</sup> The first territorial roundtable, [The Pacific Roundtable - Chocó Chapter](#), was held shortly after the deep dive, and provided space for the Government, Mayors and development partners to discuss high-impact development projects in the region. Elsewhere, DAC members are creating space and allocating resources for national or subnational dialogue on locally led development as a foundation for building relationships and partnerships with local actors in partner countries. For example, Australia prioritises



investment in relationship building with local actors to allow better dialogue and idea exchange, and promote local actor agency in proposing alternative strategies, designs and approaches (Australia, 2024).

#### **Box 4.1. Building deep relationships with coalitions of local actors in the Pacific (Australia)**

The “Balance of Power” design recognises that local actors are best positioned to understand culturally embedded norms, attitudes and behaviours related to leadership legitimacy. Critically, local actors are the most skilled in navigating the “under the iceberg enablers and blockers” of the local context to identify and maximise entry points and drivers for change. The Balance of Power programme is a multi-country initiative aiming to contribute to women’s increased representation as leaders. It has been designed to be led by Pacific Islanders, with all activity guided by their ongoing political economic analysis and their access to formal and informal networks and avenues of influence. It is not perceived to be a “foreign project interfering in sensitive cultural and political issues” but through its access to power bases and networks within each operating environment, it has established strong relationships across national and subnational governments, churches, traditional chiefs, the media and regional institutions to increase focus on influencing social norms. It is convening and strengthening these coalitions of local actors, who are now stimulating demand for and making changes in thinking and practice around women’s rights to leadership, framing discussions and designing activities.

Source: (Australia, 2024).

**Supporting triangular approaches to build South-South communities of practice, share experience and co-create solutions.** Larger local actors can also elevate the visibility of other local actors using their positionality, networks and access to build relationships and weave new engagements between local actors. USAID’s [Communities of Practice for Effective Partnerships](#) (COPE) supports the development of organic South-South communities of practice for local organisations to strengthen their capacities in applying systems thinking approaches to community development challenges.<sup>43</sup> Through COPE, local organisations from eight countries across Asia and Latin America have come together to support each other, and learn by sharing knowledge, tools, approaches, experience, and work together to co-create solutions. For example, the [South-South Co-operation](#) supported in Colombia by COPE includes a Toolbox with resources to formulate co-operation projects, and a Knowledge Management Hub, which includes short courses for officials from the Global South on topics to support country-to-country knowledge exchange.

**Deeper links to the discussions on triangular co-operation.** Leveraging current good practices can provide additional inspiration as most trilateral partnerships are locally led and incorporate and share local knowledge, expertise and technology through the facilitation of a third partner. For instance, Brazil works with many DAC members in sharing its expertise on tropical agriculture as well as its successful domestic programmes, such as [Bolsa Familia](#) and [Fome Zero](#) to eradicate extreme poverty and hunger, with partners in Africa, Asia, Latin America and the Caribbean. Similarly, India draws on the wealth of solutions created by its vibrant civil society organisations, including for women’s economic empowerment, to engage in triangular initiatives that support neighbouring countries and beyond (OECD/IsDB, 2023). Finally, Rwanda aims to scale up its local innovations through triangular partnerships and has created a [platform to share its homegrown solutions](#), for example related to post-conflict reconstruction.

**Creating dedicated partnership platforms and collecting regular feedback on partnership health.** Funding partners are increasingly providing spaces where different actors can connect and learn about partnership possibilities, thereby increasing transparency and accessibility of funding, and facilitating the establishment of connections between funders and CSOs, leading to an increase in direct giving. For example, [Work with USAID](#) is an online platform that offers technical solutions to help navigate barriers to partnerships and create connections and learning spaces among local and international partners. It offers self-assessment tools and other resources in multiple languages, including a training series for organisations on how national and local partners can partner with USAID. Likewise, Trócaire’s [Global Hub on Partnership and Localisation](#) based in Nairobi, is the technical unit, funded in part by Ireland, and has a global mandate to help drive the evolution of Trócaire’s partnership model to one that embraces the principles of locally led development. It has developed an inclusive approach to improving the quality of its partnerships. Its local partners share

survey feedback every two years on ongoing partners, with results treated confidentially.<sup>44</sup> These are complemented by Global South platforms, primarily supported by foundations, including [CSO Platform Africa](#) (a central hub for finding CSOs, data, and actionable insights) and [Kujalink](#), an online platform initiative by Adeso, which seeks to facilitate direct funding partner access to local and national CSOs based in the Global South.

**Building strong, long-term partnerships that strengthen systems and processes, and reflect the ambitions and goals of local partners.** Quality partnerships support increased local actor agency to collaboratively frame, design, plan, deliver, learn and reflect. This means creating space in which partners learn together, accompany each other and develop collectively (Conducive Space for Peace, 2023). Good practices are shifting the approach from one-off training and short-term project support to creating long-term partnerships that grow in strength and trust over time and are founded on direct, core, flexible and long-term financial support to local knowledge providers and holders, and shared decisions on resource allocations (see Section 3). This facilitates local actor investment in staff and systems to ensure self-sustaining capacity strengthening and sharing that is sustainable and evolves beyond the intervention. For example, Iceland has established three-year framework agreements with its key partner CSOs to ensure more stable and strategic partnerships that support institutional and financial capacity strengthening, based on mutual trust, continuous dialogue and accountability founded on long-term, non earmarked funds (OECD, 2023). These give CSOs flexibility in meeting priorities and help strengthen their institutional and financial capacities. Likewise, in 2016, the Netherlands launched its [Dialogue and Dissent policy framework](#) to support CSOs in partner countries in their political capacity to lobby and advocate. Programme monitoring highlighted promising results whilst confirming the importance of strategic partnerships with flexible and long-term funding to build trust, innovation, and time for social transformation (see [OECD, 2022, TIPS](#)). Similarly, Australia partners with governments through its [Partnerships for Social Protection \(P4SP\) programme](#) in the Pacific Island Countries and Timor-Leste, and is designing and strengthening national social protection systems through long-term support, networking, learning and knowledge-sharing across the region, grounded in local experience and evidence. Further, the [Australia-Pacific Partnership Platform](#) demonstrates the effectiveness of long-term support for local organisations and provides “on-demand” services to partners to ensure responsiveness and flexibility to emerging needs and requests for support.

#### **Box 4.2. Providing long-term support to subnational governments in Burkina Faso (Switzerland)**

The SDC programme in Burkina Faso showcases how a sustained long-term approach (SDC has been present since 1974), combined with supporting decentralisation, has led to a *de facto* locally led approach. As identified in an external evaluation, supporting subnational governance has been Switzerland’s primary approach to sustaining engagement in fragile and conflict affected contexts. In Burkina Faso, SDC has been able to continue its operations by directly funding and working with local and regional authorities and local CSOs, despite the political instability caused by the two military coups of 2022. An external evaluation identified high levels of local relevance and alignment with the needs and rights of local target groups in its governance portfolio, via a “people-centred approach” in its subnational governance work that balances engagement with duty bearers and rights holders.<sup>45</sup>

Source: Switzerland deep dive.

**Accompanying local organisations through partnership transitions.** There are emerging examples whereby DAC members are revisiting their approaches to partnership transitions, with the opportunity to establish clear strategies and goals for increasing local actor agency, and to ensure that their international partners follow suit. Through the “Stopping as Success: Locally Led Transitions in Development (SAS+)” learning project, USAID aims to equip local organisations with good transition practices, enabling development partnerships to be more locally led, transitions to be more effective and sustainable for local people, and development practitioners to be more responsive to local dynamics. For example, SAS+ supported transition workshops and the co-development and implementation of a transition plan in Nigeria. To promote partnership evolution, Switzerland is also supporting an increasing number of projects whereby partner-country CSOs take over the lead role with time. Whilst the initial phase of these projects is contracted with provider-

country/international CSOs who subcontract, subsequent phases support the leadership of partner-country CSOs, who might then subcontract international CSOs for specific functions. For example, in a multi-phased project funded by Germany, GPPAC played the role of the intermediary, but with the strategy that this role would be temporary. GPPAC and its local partner then jointly identified which capacities would have to be strengthened to allow for the local partner to take over whilst also strengthening their legitimacy, self-confidence and facilitating direct engagement with Germany. Using this approach, approximately 90% of funding was utilised at the local level for local implementation. The local partner is now being funded directly by Germany, with no support from GPPAC (Kantowitz, Van Beijnum, & Poiré, 2022).

### *Establishing more equitable, diverse and impactful partnerships*

**Establishing partnership policy commitments and strategies.** Equitable partnerships are a major element of international commitments<sup>46</sup> and the subject of recent review, reform and practical guidance (Mercy Corps, 2011). Partnerships based on equitable and ethical principles and practices have been identified by several DAC members as an important enabler for locally led development. Strategies can support reflection on opportunities to rethink collaborations and provide concrete opportunities for clear, principled commitments on operationalising how space is created for local agency in partnership modalities. For example, Sweden's "[Guiding Principles for Sida's Engagement with and Support to Civil Society](#)" recognises the vital contribution of civil society and the importance of creating an enabling society. It commits to five key principles, which include exploring the various roles of civil society within their context; supporting civil society in its own right; providing assistance and effective support; supporting civil society partners' efforts to strengthen their own development effectiveness; and engaging in continuous dialogue. The accompanying guidance explains the rationale behind each principle and provides advice on translating these into action. Similarly, USAID's "[Local Capacity Strengthening Policy](#)" includes principles for equitable partnerships in local capacity strengthening (see Box 4.6). Whilst it is important to note the efficiency, impact and sustainability gains from equitable forms of partnership, they can bring costs – including additional time and costs (for translation, travel, convening and dialogue, capacity sharing) and it is important these are budgeted for at the start of project planning (The Share Trust; Warande Advisory Centre, 2022).

#### **Box 4.3. Updating partnership policies to influence Belgian NGOs (Belgium)**

Belgium's Partnership Policy is being updated and includes a commitment to guaranteeing the ability of an organisation to maintain relationships with partners based on trust and mutual learning. It includes a set of requirements for Belgian NGOs to guide their partnerships with community-based actors. Belgian NGOs are first **screened for their capacity and quality management systems** (to be able to receive funding for five-year programmes for which they have significant autonomy). Their own partnership policy is one of the domains that is screened, to ensure consistency with the evolving vision relating to partnerships in the sector and at international level, which place greater emphasis on universality. Belgium's goal is to establish balanced relationships, with mutual contributions, and facilitate the implementation of a common agenda. Reference to "partner capacity building strategy" has been removed given connotations with "unilateral approaches."

Key criteria reviewed during screening include: the establishment, formalisation, and maintenance of partnerships based on equality and learning, as well as definitions and the implementation of a common agenda. Documents that are analysed include: i) the organisation's standard template for partnership agreements/MoU; ii) documents containing the list of partners; and iii) documents describing the organisation's partnership policy, in particular the involvement of partners in the common agenda. MoU or partnership agreements must include specified elements, including common objectives, mutual commitments, common visions for mutual capacity strengthening, local takeover and sustainability of activities, and transfer of assets.

Source: Capacity deep dive.

**Mobilising and influencing international/multilateral intermediaries.** Internal policy commitments and strategies can inform corresponding partnerships by DAC member partners. DAC members are starting to

build on commitments made by international INGOs and leverage their role as convener to embed locally led development principles in the structure of partnerships between international intermediaries and local actors.<sup>47</sup> Peace Direct has identified nine roles that INGOs can play in international co-operation, which move beyond INGOs as conduits for funding organisations in the Global South (Peace Direct, 2023). These include: interpreter, knowledge broker and producer; trainer, coach and co-learner convener; connector and ecosystem builder; advocate and amplifier; watchdog; critical friend; and sidekick. DAC members, however, face a range of challenges in tracking the extent to which international partners are enabling locally led development.<sup>48</sup> Therefore, more systematic application of equitable principles for locally led development – including contracts with international intermediaries – is being adopted to influence and shape multilateral intermediary channels and their partnership agreements with local actors. For example, through Ireland’s Civil Society Partnership (ICSP), Irish Aid encourages a shift in CSO practices to shared learning, mutuality and the co-development of solutions. One of the benchmarks for each ICSP partner organisation is that it develops a locally led development policy, which is proving to be a key entry point to improve the quality of partnerships between intermediaries and local actors to advance the locally led development agenda. Other DAC members identified earlier, including Belgium, the United States and Switzerland, are similarly leveraging their direct partnerships with international and multilateral intermediaries to shift behaviours to enable locally led development. For more analysis on multilateral organisations see also OECD/MOPAN forthcoming publication.

#### Box 4.4. Developing Fair Partnership Principles to influence international intermediaries (SDC)

Switzerland has led efforts to influence and shape multilateral intermediary channels and contractual relations between international and local humanitarian actors as co-convener of the Grand Bargain localisation workstream and in its role as co-chair of the OCHA Country-Based Pooled Funding Mechanism working group. For example, in Ukraine, eight “Fair Partnership Principles” have been integrated into contracts with intermediaries. These include: i) **alignment of goals** of international and local partners; ii) **duty of care** to ensure local partner staff receive training and equipment; iii) **full cost coverage** including full expenses and a fair share of the costs of leadership, programme management, financial administration, premises; iv) **volunteer stipends** to cover living costs; v) **capacity strengthening** budget to support local actor planning, fundraising and implementation of its own strategies and activities; vi) **alignment on humanitarian principles** including impartiality, neutrality and partnering with local actors who adopt and adhere to these and safeguarding; vii) **simple grant application and reporting** processes adapted to the ability of the partner and size of the grant; and viii) **participation and promotion** of local partners in co-ordination meetings, donor discussions, and the crediting of local partner work and contributions. Following integration into intermediary contracts, these have been rolled out across humanitarian sub-contracts in Ukraine, with the result that country NGOs, for example local and national protection NGOs, have been supported with enhanced project and organisational management capacities.

Source: (SDC, n.d. (unpublished)).

**Actively supporting local government co-operation partnerships.** A commonly overlooked aspect of locally led development is support provided by multiple DAC members (not necessarily managed by Headquarters), to establish partnerships with local governments, for example municipalities. For example, the [European Commission](#) has joined forces with local and regional government associations to boost sustainable development. It has signed framework partnership agreements with five global associations of local authorities, which recognise the contribution of local and sub-regional governments in the design and implementation of policies, in particular for making cities and human settlements inclusive, safe, resilient and sustainable. The agreements provide an opportunity to strengthen the voice of local government, enhance engagement in decentralised co-operation, improve current practices through efficiency and innovation, and raise awareness and strengthen capacities (EC, 2022). Similarly, France, through its [External Action of Local Authorities](#) (AECT) brings together French and local authorities in partner countries to carry out decentralised co-operation projects in all areas of local public action (Ministry of Europe and Foreign Affairs, n.d.). Finally, the [Municipal International Cooperation](#) is a dashboard of approaches and practices to provide local governments with the tools to determine the best approaches for international co-operation (ranging from city-

to-city partnerships, to international co-operation with the private sector, and short-term expertise exchanges) (VVSG, n.d.). For example, city-to-city partnerships aim for substantive co-operation where a strategy is developed together around specific policy themes that both municipalities and cities are working on (e.g., waste management, local economic development, digitisation of the population register, citizen participation). It does not work toward one predetermined solution through transfer of resources or technical know-how and instead supports collaboration on locally embedded solutions that create a “win-win” for the various partners. The municipality of Mol (Belgium) describes the double win of their city-to-city partnership with Santo Tomás (Nicaragua) as follows: “the partnership is not an end in itself, but a model, a way to make both the municipal administration and the population aware of global relations and the role they can play locally. The city-to-city partnership is, as it were, the peg on which municipal global policy can be hung. Because of the partnership, complicated global challenges can be translated very concretely into the day-to-day realities that people are confronted with.”

**Mapping local actors and diversifying partnerships.** Diversifying the partner base is particularly important in contexts where access for international actors including the UN, are constrained, for example in Syria or Myanmar, and where DAC members can therefore not rely on international partnerships. DAC members often work with a small pool of provider-country/international CSOs due to their proximity and long-standing trust relations, even where there are no legal or regulatory restrictions applying to the provision of funds to partner-country CSOs or other actors and given the complexities of ending long-term partnerships (Switzerland, forthcoming). Mapping, including leveraging the knowledge of local intermediaries or local governments (as in the case of Nepal), can elevate the visibility of local actors and is recognised as a fundamental first step by identifying new partners. In Colombia, the strong, active, and structured civil society (including networks and think tanks) facilitates the identification of strategic partners for DAC members in project design and delivery (Colombia deep dive). Several DAC initiatives are also helping to diversify local partners. For example, in conflict and fragile contexts, Hungary directly funds local faith-based organisations, who possess intimate knowledge of the social and cultural dynamics of a given area, and who can reach some of the most impacted populations. By starting with small amounts and carefully assessing proposals and vetting partners, Hungary can manage risks and increase support over time, whilst providing opportunities to support peaceful coexistence and religious tolerance amongst diverse communities (OECD, 2022). Similarly, USAID’s [New Partnership Initiative \(NPI\)](#) expands opportunities for new, non-traditional and local partners to work with USAID to strengthen local leadership, capacity and accountability. It cultivates innovative partnerships and encourages new sources of funding to sustain partnership and scale impact. Re-launched in 2019, it aims to diversify USAID’s partnerships and change how the Agency partners. The USAID Administrator Samantha Power highlighted in Congressional testimony that the quality of the Agency’s partnership represents: “the essence of whether the development will be sustained over time.” In addition to catalysing over USD 1 billion in USAID awards that foster diverse partnerships and locally led development, NPI also guided the development of the [Work With USAID](#) platform, noted previously, which helps streamline access to USAID information, resources and partnership opportunities. Finally, France’s [Fonds de soutien aux organisations féministes](#) (FSOF) is focused on identifying new voices and partners.

#### **Box 4.5. Building relationships with local actors in Myanmar where INGO access is blocked (United Kingdom)**

In Myanmar, the United Kingdom works with local organisations to identify tailored approaches to support the needs of families forced to flee their homes due to conflict. Two and a half years after the 2021 military coup, more than 2 million people have fled their homes, and the number in need of assistance has escalated from 1 million before the coup to 18 million. Whilst the military is blocking formal access for the United Nations and INGOs, the United Kingdom has been providing support primarily through local partners to meet the emergency needs of around 600 000 people affected by the conflict. The work is built on the relationships developed with networks of local civil society partners. The FCDO has invested in strengthening the capacity of local organisations and networks; developing tailored funding instruments and allowing partners to respond adaptively; and establishing platforms to help local and international partners communicate meaningfully.

Through engagement with community networks, the United Kingdom is apprised of the shifting context, new partnerships opportunities and more is responsive to changing community priorities and risks.

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Source: (FCDO, 2023).

**Investing in partnerships with private sector actors.** Partnerships with the private sector can support locally led development, by offering expertise (e.g., local business partners can provide training and mentorship for local actors), scalability, innovation, flexibility, efficiency and sustainability (see also the [Kampala Principles on Effective Private Sector Engagement in Development Co-operation](#)). For example, Spain's Huruma Fund leverages private sector investment to provide microfinancing and training for smallholder and marginalised farmers including women producers. It is increasingly harnessing this flexibility to establish direct funding partnerships with a range of local actors (see Section 3). Similarly, the Swiss State Secretariat for Economic Affairs (SECO) fosters partnerships which focus on the co-operation between the Swiss private sector and local producers, by providing space for local actors to collaboratively identify their own solutions. For example, in Peru, Swiss private sector support is increasing agriculture productivity in coffee, cocoa, sugar and banana value chains in partner countries, to help scale locally led development. An emerging lesson is that financial and technical co-operation integral to private sector partnerships promotes longer-term impact (OECD, 2022). In Colombia, through the Swiss Responsible Gold Project, including the private sector in strategic partnerships has improved co-operation and community ownership (Colombia deep dive). Similarly, France has been mobilising impact financing for African micro, small, and medium enterprises (MSMEs), through its '[African Investment and Business Support Facility](#)' (FISEA+), which is able to support sectors that have traditionally less access to finance, such as agriculture, microfinance, education, and health (OECD, 2024<sup>[57]</sup>)

**Investing in partnerships with local innovators and relevant institutions from local innovation ecosystems.** Local innovators can be social entrepreneurs, grassroots problem-solvers, activists as well as public servants. Dedicated support for local innovation requires engagement with private and with public sector partners, as well as civil society organisations and individual innovators. For specific solutions to unfold impact at scale, funders need to understand the local context, enabling and constraining factors, and invest in strengthening local ecosystems. The UK FCDO, for example, seeks to strengthen innovation and research systems through the [Research and Innovation Systems for Africa](#) (RISA). The Ministry for Foreign Affairs Finland also collaborates with various ministry partners from Botswana, Namibia, Tanzania, South Africa and Zambia to strengthen local innovation ecosystems, and scale local social enterprises. Both programmes also focus on strengthening local government capabilities to better support innovation and research efforts. The process of translating individual innovation and the related accumulation of knowledge into institutional capacity was identified as dependent on getting the right mix of people involved in the process: influential leaders, technical experts and network builders. This ensures that the innovation process itself can be a means of enhancing collaboration and consensus.

**Working with local intermediary partners.** Recognition of the untapped potential and capacities of local actors is providing some funding partners (primarily philanthropic) to revisit traditional restrictive roles (i.e., local actors confined to implementing roles) and support a change in roles. "Flipping the model" and using local actor intermediaries has the dual benefit of supporting locally led development but also improving the effectiveness (e.g., timeliness, responsiveness, inclusion), sustainability, and cost efficiency of humanitarian and development assistance. Local and national organisations, networks and coalitions can serve as convenors, connectors and amplifiers of locally led initiatives and can serve as fiscal agents (fundraisers and direct donors), managing a pool of flexible funding that can be quickly and easily accessed by network members with minimal administrative reviews and requirements, whilst increasing access to grassroots organisations and community-based organisations given their proximity to communities. Partner-country local actors can also bring to the table experience, expertise in community mobilisation, contextual knowledge, access to diverse networks and communities, and can work more effectively across the nexus, and pivot to response more quickly (OECD, 2024 (forthcoming)). Several examples exist: the [Prospera International Network of Women's Funds](#); [The Civil Society Innovation Initiative](#) (CSII)<sup>49</sup>; and the [Local Coalition Accelerator](#) in Uganda, Nigeria, Ethiopia, Bangladesh and Kenya.

#### Box 4.6. Supporting local intermediaries through the Local Coalition Accelerator Model (Foundations)

The [Local Coalition Accelerator \(LCA\)](#) brings together coalitions of diverse local and national organisations (LNOs). The intention is to overcome due diligence issues, and funding partner aversions to managing multiple small contracts, thus increasing direct access to bilateral funding. These Coalitions in turn provide peer-to-peer capacity sharing and partner with community structures (including Self Help Groups), as they co-design and implement holistic, evidence-based programming at scale to address systemic, multi-sectoral problems. The LCA model provides technical and financial support over three to five years to Coalitions of CSOs, which create a shared governance system, design Joint Action Plans based on community priorities, and ultimately become independent to manage funding directly from funding partners. The [model](#) was initiated by The Share Trust and Warande Advisory Centre and is currently being implemented in Bangladesh, Ethiopia, Kenya, Nigeria and Uganda with funding from multiple foundations. The Coalitions are also being used to pivot to humanitarian response, during a crisis, for example with support from the Start network in Bangladesh (most recently to support the floods resulting from Cyclone Remal in May), and in Nigeria, the Coalitions are supporting smaller CBOs to access country pooled funds.

Source: [The Share Trust](#).

**Reshaping support and partnering with local researchers.** This allows local actors to frame research priorities around local needs and questions, ensuring research initiatives are driven by, and responsive to, the communities they serve, guarding against extractive processes, and fostering genuine collaboration and the empowerment of local voices. Examples of joint research include: i) [France - Instituts Pasteur and IRD](#); and ii) Canada's International Development Research Centre (IDRC) [Climate Change Adaptation in Africa Programme](#). IDRC is a Canadian crown corporation and offers many examples of how Canada can support local capacity in ways that are responsive and sustainable. For example, the [Science Granting Councils Initiative](#) in sub-Saharan Africa, led by IDRC and South Africa's national Science Foundation, with funding from FCDO, SIDA, Norad, and the German Research Foundation (DFG), applies a systems approach, using national granting and paper learning, to leverage and support existing knowledge and research capacity in sub-Saharan Africa. Similarly, Sweden has established long-standing partnerships with local research and learning partners in Ethiopia. Finally, the Netherlands and Australia have supported significant research focused on collaboration with the International Women's Development Agency (IWDA), and with the guidance of 35 Pacific Island women leaders, have identified key elements of more supportive, equitable, and decolonised models of engagement between Global South women's rights movements and the Global North (Guttenbeil-Likiliki, 2020).

**Changing the narrative through peer-to-peer networks (P2P) and triangular cooperation.** This means re-defining the way that knowledge is produced by sharing and scaling-up knowledge from the pivotal partner (and possibly the beneficiary) and supporting circular knowledge exchange, knowledge co-production, and [triangular co-operation](#) (OECD, n.d.).<sup>50</sup> By co-designing and implementing projects, the partners create mutual understanding for their respective co-operation systems and break up traditional divides between North-South and South-South co-operation, which can lead to a change of the overall development co-operation. Triangular co-operation is based on the principle that all partners learn, and all partners share experience in a project. For example, the Indian model of triangular co-operation focuses on leveraging the strengths of India's diverse landscape of CSOs (OECD, *Shifting Power within Partnerships: Toolkit for Implementing the DAC Recommendation on Enabling Civil Society in Development Co-operation and Humanitarian Assistance*, 2024, forthcoming). It also means decentralising the co-operation and the network architecture. For example, [OECD analysis](#) of triangular co-operation projects recorded from 2000-2022, found that 45% involve partners beyond the national government level (OECD/IsDB, 2023). Similarly, Ireland's emphasis on mutual learning and knowledge exchange, and supporting strong local networks such as intelligence-sharing forums (including with other development co-operation partners) in Vietnam, Cambodia and Laos, contributes to finding new solutions and ways of operating in challenging contexts. Germany's [position paper on triangular co-operation](#) challenges the traditional narrative of how to partner with Global South agencies, governments and private sector partners and rethinks the way that knowledge is produced,

shared and scaled-up from the pivotal partner (OECD, 2022). Japan mobilises South-South and triangular co-operation as an approach to deepening relationships among countries, building trust, and co-creating solutions, which are well adapted to the context of developing countries. For example, the Asia-Africa Knowledge [Co-Creation Programme](#) enabled Asian and African countries to share experience and knowledge and the [Kizuna Project](#) disseminates Chilean experience throughout Latin America and the Caribbean region (OECD, 2020).

### *Partnering for tailored, mutual and locally led capacity strengthening*

**Developing a principled approach to capacity strengthening.** A principled approach to capacity strengthening paves the way for mutual respect and reciprocity. However, evidence and experience reveal that the time and resource demands of capacity strengthening approaches need to be accounted for at the beginning of planning. For example, USAID's [Local Capacity Strengthening Policy](#) is grounded in a commitment to partnerships based on mutual respect and reciprocity and through which local actors from all backgrounds and cultures have their voices heard, exercise their unique capacities, lead their country's development, and frame capacity strengthening based on locally defined priorities.

#### **Box 4.7. Developing a Local Capacity Strengthening Policy (USAID)**

The [policy](#) establishes an Agency-wide vision based on a shared commitment to seven mutually reinforcing principles for effective local capacity strengthening, informed by a robust evidence base and a rigorous consultation process, which prioritised the engagement and feedback of local actors and organisations.

**Principles for effective programming of local capacity strengthening:**

- Start with the local system;
- Strengthen diverse capacities through diverse approaches;
- Plan for and measure performance improvement in collaboration with local partners.

**Principles for equitable partnerships in local capacity strengthening:**

- Align capacity strengthening with local priorities;
- Appreciate and build on existing capacities;
- Be mindful of and mitigate the unintended consequences of our support of local capacity;
- Practice mutuality with local partners.

USAID has also developed an internal implementation plan and publicly shared the [Local Capacity Strengthening Policy \(LCS\) Implementation Updates \(2023\)](#), which was also based on local consultation and feedback. Publicly sharing the implementation updates promotes transparency and accountability with local actors as it outlines USAID's plans and key actions identified as: i) institutionalise accountability of USAID leadership (as a key enabler of successful implementation); ii) prioritise accountability of USAID to stakeholders, including regular engagements by the LCS team and an Annual Learning and Feedback Forum; iii) integrate effective LCS practice into the programme cycle; and iv) develop tools and resources to support operationalisation. Annually, a virtual multi-day Forum is hosted to continue to seek feedback and insight to inform implementation of the LCS Policy. Using the feedback from ongoing and the annual gathering, USAID updates the implementation plan and shares it with the community ([Implementation Updates 2024](#)) to create a positive feedback loop.

Source: (USAID, 2023).

**Responding to local priorities and providing tailored capacity strengthening.** Organisational capacity strengthening support can be provided directly in funding agreements or via intermediaries. However, capacity strengthening efforts have traditionally focused on Global North priorities, for example financial risk concerns, or are geared to a specific project, rather than promoting holistic, long-term, organisational strengthening and resilience. Further, local actors have highlighted the significant local capacities within their communities, which can often be overlooked by international actors. Successful capacity strengthening therefore centres on supporting local actors to identify their strengths and assets, and leverage and enhance these to perform roles and have relationships that shape a local system in a way that meets their aspirations, goals and needs. More



recent DAC member approaches are therefore starting with mutually agreeing on whose capacity to strengthen (i.e., DAC member/local actor), identifying what to strengthen, and setting expectations on how the prioritised capacity strengthening will impact the performance of the organisation, not just the individuals directly engaged. This approach requires a significant investment of time, trust and presence up front to create consensus on the capacity strengthening needs. It may require higher levels of decentralisation (involving multiple capacity strengthening providers), and it should be continually adjusted as the needs evolve. For example, Switzerland has been moving away from a deficit approach – identifying capacity gaps – to responding to local actors’ own capacity priorities.

#### **Box 4.8. Responding to local priorities and existing capabilities (USAID)**

The USAID Positive Youth Development (PYD) Framework engages youth within their communities in a manner that recognises and builds upon youth’s assets and skills; ensures young people are recognised as agents of their own development and that local capacity strengthening for youth supports them to exercise their power to shape change; and involves co-creation and co-design of programmes and decision-making on local capacity strengthening activities.

Source: (USAID, n.d).

**Assessing capacity as a whole and supporting systemic changes in capacities to enable scaling.** This means moving beyond a traditionally narrow focus (notably on financial risk), and adopting a more nuanced approach and working with local actors to understand: i) different levels of capacity (institutional, organisational, individual); ii) types of competencies (“hard” competencies such as technical, logistical, and managerial skills and “soft” competencies such as building relationships, trust, and legitimacy); iii) temporal and functional elements (e.g., building, applying, maintaining capacity); and iv) delivery capacities (e.g., competency, capability, and performance).<sup>51</sup> The Netherlands Ministry of Foreign Affairs demonstrates holistic approaches through initiatives such as the Voice for Change Partnership, where they engage diverse stakeholders, including local and national governments to strengthen entire systems rather than focusing solely on local communities (OECD, 2023). Similarly, SDC, through its Health Sector Support Programme in Nepal, works with diverse partners including the Nepalese government and local health authorities to strengthen the health system comprehensively.

**Facilitating peer-learning exchanges and knowledge banks.** DAC members have actively contributed to facilitating peer learning and investing in platforms that draw on collective knowledge, enhance capability and experience exchange, and respond to demands from partner countries for specific thematic areas of expertise. For instance, Norway’s [Knowledge Bank](#) aims to strengthen and co-ordinate technical co-operation with partner countries. It facilitates knowledge and experience sharing by drawing on the collective knowledge of more than 30 Norwegian public institutions, along with multilateral institutions, and CSOs to strengthen the capacity of partner country public institutions. The focus is on learning through exchange of experience, and the Knowledge Bank has helped share capacities across government agencies and in Norad. Further examples include: i) the USAID’s [Global Development Lab](#), a platform that enables knowledge sharing on a range of topics, including locally led development, among USAID staff, partners and other stakeholders; ii) Australia’s [Knowledge Sector Initiative](#) (KSI) in Indonesia, which facilitates knowledge sharing and peer learning amongst government agencies, CSOs, and researchers; iii) the Swedish [Programme for information and communication technologies \(ICTs\)](#); and iv) DFAT’s [Knowledge Hub](#), which brings together practitioners, policymakers and researchers to exchange on Humanitarian Action and DRR.

**Ensuring capacity sharing is sustained.** Capacity strengthening and sharing needs to be a continuous process, particularly given the changing development and humanitarian landscape. This relies on sustainable funding and the provision of **core support**, as well as better coverage of overhead or indirect costs (see Section 3). It further requires elevating the importance of strengthening long-term capacity as a strategic priority, as is the case for Canada’s [Women’s Voice and Leadership Programme](#) (WVL). A fundamental, driving principle is that women’s and LGBTQIA+ organisations are provided with flexible funding to develop their organisation’s capacities according to their own strategic priorities. A further approach, that can be

adopted by DAC members including smaller organisations, is supporting the **outsourcing of services**, including capacity strengthening, to local partners to ensure more sustainable and long-term solutions. USAID identifies that where possible; it should partner with existing capacity strengthening providers and support their capacity to be sustainable service providers, whilst avoiding designing activities that undermine existing capacity strengthening providers. This requires an inventory of the local capacity strengthening market for key services including reach of existing providers (e.g., NGOs, individual trainers, networks, coalitions, universities, research centres, government agencies, management consulting or accounting firms, local social enterprise and the private sector) and the market prices, scale, location and quality of these services (USAID, Local Capacity Strengthening Policy: Implementation Updates, 2023). Denmark, the EU, and Switzerland are supporting the [Tanzania Foundation for Civil Society](#), an independent Tanzanian NGO that provides grants and capacity-building services to CSOs. Equally, the United Kingdom is supporting the [Mechanism for Civil Society Support](#) (MASC) in Mozambique, a foundation for providing grants and capacity strengthening in the long-term to local CSOs. Austria is supporting local partners to provide institutional capacity strengthening to local authorities in Moldova, helping them to understand the importance of preserving wetland ecosystems, and to develop the legislative package to set up a national park in its biologically diverse Lower Dniester wetland, internationally recognised under the Ramsar Convention (OECD, Austria’s Beneficial Support for Biodiversity Conservation in Moldova, 2023). Australia is developing “Localisation-ready support hubs” to support actors to strengthen capacities, achieve compliance and build a local market for consultancies and project management, similar to the private sector approach to incubating and accelerating the growth of local businesses. Such hubs could provide tailored, context-specific assistance, for example strengthening core management and administrative functions (e.g., financial management, procurement, safeguarding, risk assessment) or the growth of local supply chains for the development sector (Australia, 2024).

#### **Box 4.9. Supporting permanent positions in government ministries in the Pacific (Australia)**

A further modality for sustainable capacity strengthening of local actors is to create and initially **fund new positions in government ministries**, providing ongoing mentoring and support until the post is absorbed as permanent capacity and funded by the government agency two to three years after. This has successfully been implemented in the Pacific through the Governance for Resilience Programme (Gov4Res)<sup>52</sup> funded by Australia, the United Kingdom, South Korea, New Zealand and Sweden. Several positions (new climate and disaster resilience posts) have been successfully absorbed in the central planning and finance functions and sectoral ministries (women, environment, agriculture) in Fiji, Solomon Islands, Vanuatu and Tonga.

Source: [UNDP, 2024](#).

## 5. Adapting management processes and delivery practices

### *Contextual influences and constraints*

**Whilst local actors often play a central role in programme implementation, their role in the design of strategies and interventions is often limited to consultation.** Local CSOs in particular tend to access funding through pre-defined calls for proposals that limit their role in the design of projects, particularly in the areas of goal setting, and identifying sectoral and thematic areas of focus<sup>53</sup> (see Ethiopia and Nepal deep dives). Some DAC members are particularly constrained in this area because budget allocations are driven by institutionally set targets in specific sectors (e.g., health, climate, food security), rather than country or regional strategies. There have been efforts to move towards more collaborative design approaches, for example USAID's use of [co-creation](#) workshops, but these still tend to place local actors in the position of "partners" rather than "leaders" of projects.<sup>54</sup> This limits opportunities to draw on local knowledge in the design of programmes and innovations, which is already constrained by knowledge hierarchies that put the Global North in the position of "knowledge producers" and the Global South as "knowledge consumers."<sup>55</sup> Innovation efforts led by people in low-and middle-income countries (LMICs) have been of vital importance to local and national development processes over the past decades (Hoffecker, 2018) and more recently, in the responses to the COVID-19 pandemic (Ramalingam & Kumpf, 2021). But significant gaps remain with regard to innovation management; a review of DAC members' innovation capabilities in 2020 showed a widespread lack of genuine and sustained engagement with partners from the Global South (OECD, 2021). Language barriers compound the challenge of engaging in design processes, with some local organisations investing heavily in translation services for proposals with no guarantee of their success (Nepal and Ethiopia deep dives). Artificial intelligence (AI) translation services may be one avenue for addressing such language barriers.

**Accountability and learning mechanisms are often considered top-down by local actors, with little space for co-design.** DAC members are increasingly experimenting with more accessible and tailored monitoring, evaluation and learning approaches. These include oral reporting approaches through videos, and opportunities to report in local languages. However, this area of programme management can be particularly skewed towards DAC member institutional compliance objectives, rather than the priorities of local actors, their learning and accountability to local constituents.<sup>56</sup> Local actors in Ethiopia identified monitoring, evaluation and learning (MEL) frameworks as "cumbersome and complex", lacking "contextualisation" with gaps in active collaboration with local actors to adapt MEL frameworks to align with local contexts, capacities, and priorities, as well as limited use of local evaluators. The research in Nepal further found that existing learning and accountability mechanisms do not facilitate learning between DAC members and local actors who are not already a part of the development co-operation system, and there are limited opportunities for peer learning on locally led development amongst DAC members at the country level (Nepal deep dive).

**A central challenge facing DAC members' locally led development practice is the perception that working more directly with local partners poses additional risks, particularly fiduciary risks.** While there is variation in terms of risk tolerance and appetite, most DAC members are highly averse to fiduciary risk due to their domestic accountability to taxpayers. Playing an important accountability role, domestic stakeholders such as parliaments and the media in DAC member countries often focus their attention on risks of corruption and financial mismanagement (OECD, 2023). The reputational risk connected to the mismanagement of development assistance can lead to decisions not to fund local actors. Where there is a perceived high risk of public sector corruption, for instance, members may avoid, or have policies in place that prohibit, government-to-government partnerships. As a result, DAC members have in place programme management systems and funding requirements that are primarily designed to avoid risk, rather than take risks strategically in order to achieve impact.<sup>57</sup> These requirements, including heavy due diligence processes, can be challenging (if not impossible) for local actors, particularly smaller less formalised organisations, to meet (Pinnington, Kasaija, King, Ntezi Mbabazi, & Gulrajani, 2024). The perception that partnerships with local actors are inherently riskier can also damage trust and the prospects for equitable partnerships (Baguios, 2021). In fact, research has found that the increased risks associated with funding more directly are more

often based on perception than evidence (Barbelet, Davies, Flint, & Davey, 2021). The security, legal and political risks posed by fragile and conflict-affected contexts also shape the approach to risk management and level of risk DAC members are willing to tolerate. At times, these risks can lead members to favour working through multilateral agencies, for example in the Gaza Strip and Ethiopia.

## Enablers

Good practices that DAC members are implementing in relation to management processes and implementation practices to enable locally led development co-operation focus on: i) fostering risk appetite; ii) streamlining compliance and procurement; iii) increasing local agency and knowledge in programming; and iv) promoting collective accountability and learning.

Figure 11: Enablers: Management processes and implementation practices

ENABLERS	GOOD PRACTICES	EXAMPLES
<b>Fostering risk appetite</b>	<ul style="list-style-type: none"> <li>Adapting risk management systems to better support locally led development</li> <li>Engaging in efforts to <b>reframe &amp; better articulate approaches</b> to risk</li> <li>Adopting more <b>collaborative approaches</b> &amp; involving local actors</li> <li>Standardising <b>risk management</b> in decision-making</li> <li><b>Sensitising stakeholders</b> on risk in development co-operation</li> </ul>	 <p>Canada: Grants &amp; Contributions Transformation Initiative</p>
<b>Streamlining compliance and procurement</b>	<ul style="list-style-type: none"> <li>Increasing <b>local accessibility</b> by addressing systematic barriers</li> <li><b>Streamlining &amp; harmonising</b> compliance &amp; procurement systems</li> <li><b>Collaborating among DAC members</b> to simplify &amp; harmonise</li> <li>Providing <b>accompaniment</b> in selection &amp; orientation processes</li> </ul>	 <p>Charter for Change: Due diligence passporting tool</p>
<b>Increasing local agency &amp; knowledge in programming</b>	<ul style="list-style-type: none"> <li>Sensitising actors to overcome bias &amp; <b>respect, elevate &amp; integrate</b> local knowledge and expertise</li> <li>Designing policies &amp; programmes that <b>support co-production</b></li> <li><b>Enabling flexibility</b> for designing country programmes responsive to local needs, priorities &amp; perspectives</li> <li>Designing programmes that <b>respond to country priorities &amp; align with existing systems</b></li> <li><b>Investing in innovation &amp; holding regular co-creating workshops</b> to promote local actor agency in design</li> </ul>	 <p>New Zealand: commitments in strategic framework</p>
<b>Promoting collective accountability &amp; learning</b>	<ul style="list-style-type: none"> <li>Collectively <b>reflecting on decision making power</b> across programmes</li> <li>Establishing <b>locally responsive &amp; designed accountability</b> frameworks</li> <li>Fostering <b>collective accountability</b> through multi-stakeholder &amp; participatory approaches</li> <li><b>Leveraging &amp; supporting</b> local capacity in accountability &amp; learning</li> <li>Enabling <b>innovative &amp; local approaches</b> that evaluate social change</li> <li><b>Systematising learning</b> through investing sufficient resources in learning</li> </ul>	 <p>Australia: NEAR pilot of downward accountability</p>

### Fostering risk appetite

**Adapting risk management systems to better support locally led development.** Locally led development involves the reframing of approaches to risk, including taking more informed risks in programming, and clearly identifying acceptable risk levels to support locally led initiatives. Moving towards an approach that enables considered and strategic risk taking will involve the simplification of requirements to enable partnerships with diverse local stakeholders, and the introduction of new management tools. For example, Canada’s Grants and Contributions Transformation Initiative (GCTI), although not initiated with locally led development in mind, is an opportunity to address systemic barriers connected to risk aversion and revamp accompanying project management practices. This involves efforts to improve risk assessments and make performance data timelier and easier to share. In addition, Canada is developing a new “Risk Management Component” to support its

commitment to working with local actors. This component aims to merge fiduciary and non-fiduciary risks into an automated tool, aligning with departmental risk appetite, and transfer payment policy frameworks. It aims to offer greater flexibility in assessing risks associated with recipients and projects of varying sizes, promoting information sharing and decision-making within GAC's grants and contributions programmes.

### Box 5.1. Transforming grants and contributions system (Canada)

A multi-year initiative launched in 2022, the Grants and Contributions Transformation Initiative (GCTI) is moving forward with a transformation of GAC's grants and contributions system for international assistance, with the aim of "rebuilding it from the ground up" to ensure it is more responsive, effective, transparent and accountable. At the core of this initiative is GAC's commitment to involve partners in the co-design of the new system. In May 2023, the GCTI hosted its first ever partner forum. This forum will convene four times a year to create a space for partners to share their ideas and concerns about the transformation and for GAC to test out new ideas and approaches to modernise its grants and contributions system. In June 2023, GAC hosted a "risk-appetite hackathon," during which over 350 Canadian and international civil society organisations, including local partners, and GAC employees, collaboratively explored innovative solutions for how GAC's grants and contributions programming could be more risk-aware in managing international assistance. A strong message from hackathon participants was the need for progress on locally led development and the development of policies and innovative programming to support decolonisation of international assistance and facilitate local actors delivering international assistance.

Source: Canada deep dive.

**Engaging in efforts to reframe and better articulate approaches to risk.** Locally led development co-operation, in particular channelling funding to local partners, is seen as an approach that may pose different types of risks but has the potential to achieve greater impact over the long term. USAID's [risk appetite statement](#) prioritises strengthening locally led development for long-term sustainability.<sup>58</sup> At the same time, USAID acknowledges the potential "threat" that this approach can pose to short-term performance. Whilst there is an overall high level of aversion to fiduciary risk, USAID's statement indicates an adjusted, slightly higher tolerance for fiduciary risks when implementing with local partners. Another example is the [Risk Appetite Framework for International Assistance](#) of Canada, which aims to restructure incentives and guidance around risk to enable a portfolio-based approach and emphasises risk-based management for impact. A portfolio based approach can enable impactful risk taking by dispersing risk across different types of investment with varying degrees of risk, recognising that some local partnerships may be unsuccessful, but that impact is still delivered across the ODA portfolio as a whole (Canada deep dive; [OECD, 2023](#)).

**Adopting more collaborative approaches, and involving local actors, in the identification and management of risk.** This approach is particularly valuable in politically constrained contexts, where risks may be higher, and access to information and data more challenging. For example, Switzerland's Framework for Risk Governance and Adaptive Programming (FRAP), an SDC pilot in third-party monitoring (TPM), has allowed it to manage risks differently and partner locally.

### Box 5.2. Working with local partners for monitoring (Switzerland)

The "Framework for Risk Governance and Adaptive Programming" (FRAP) is the first pilot at SDC on an innovative approach to third-party monitoring. It has received an "Entry Proposal" for 12 years and a budget of USD 24.4 million. SDC is partnering with a Kenyan organisation (Kulmis) to conduct third-party monitoring in Somalia, a constrained context with multiple interacting security, fiduciary and programmatic risks. Kulmis is developing a trust-based approach with the local Somali organisations involved in the monitoring, prioritising relationship building that takes time and requires contextual and cultural sensitivity. Due to the heavily constrained context of Somalia, the use of a local (Kenyan) third partner monitoring agent is seen as "increasing fitness for fragility." SDC aims to use FRAP not only as a risk verification method; it also hopes to build a "third-generation third party monitoring, evaluation and learning" system, based on digital technologies, that will also inform adaptive programming, capacity strengthening, and overall project steering. FRAP aims

to improve the performance and sustainability of Swiss Horn of Africa programmes, contributing to stability, poverty reduction, and increased wellbeing in the region.

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Source: Switzerland deep dive.

**Standardising tailored risk management in decision-making.** For example, Ireland's Standard Approach to Grant Management plays a central role in identifying and managing risks effectively, and it has led to more explicit articulation and analysis of risk in Ireland's development programming. This involves identifying and understanding political, fiduciary, programmatic and organisational risks during the design stage, and putting in place clear protocols and guidelines for dealing with problems if they arise. This has contributed to a shift in Ireland's approach to risk, with the need to include the rationale for taking risks becoming a more integral part of decision-making (Ireland deep dive). Ireland's dedicated rules for development co-operation grants compared to other public procurement, recognise that some risk mitigation measures in procurement require adjustments, which can enable more flexible and tailored models for the purposes of locally led development. Members can also engage with their control environment to strengthen the understanding of development contexts. For example, the United Kingdom's FCDO and Global Affairs Canada, set out where challenges lie and explore how standards can best be applied to enable development while preventing violations of rules or even criminal activity (OECD, 2023).

**Sensitising stakeholders on risk in development co-operation.** For DAC members with less conducive domestic politics in particular, moving towards an approach that empowers considered and strategic risk taking will require more than the introduction of risk appetite frameworks and new management tools. Some members will need to drive a process to sensitise and engage domestic stakeholders, including parliamentarians and the media, in discussions on locally led development co-operation, within a broader dialogue on risk management. This can strengthen the understanding that international partners are not immune to fiduciary and safeguarding risks. At the same time, it enables DAC members to bring attention to the risks for effectiveness, cost effectiveness, and sustainability in not engaging local actors, which can also challenge perceptions that partnerships with local actors are inherently riskier (OECD, 2023). Developing new co-operation policies, preparing a new programming cycle, and drafting risk policies and risk appetite statements present good opportunities to trigger such dialogues. For example, in its 2022 development policy, the Dutch government stresses that taking risks is necessary to achieve results and, through examples, makes it clear that risks are not specific to local partners (Netherlands Ministry of Foreign Affairs, 2022). By committing to taking risks and staying engaged in fragile contexts, the Netherlands government was able to sensitise domestic stakeholders by clearly setting out its gradual response to challenges in its partnerships (OECD, 2023). DAC governments can also avoid reputational risks arising from a perception of inaction, by regularly informing the public and stakeholders on risks that have materialised. By quickly establishing what has happened and the response taken (building on good documentation of their risk management), governments can demonstrate their ability to effectively handle incidents to domestic stakeholders, including the media. As good practice, Denmark's Ministry of Foreign Affairs publishes regular reports on incidents of corruption and the response taken, providing the public and parliamentarians with a reliable overview and maintaining trust in the government's capacity to manage risks (Ministry of Foreign Affairs of Denmark, n.d.) (OECD, 2023).

### *Streamlining compliance and procurement*

**Increasing local accessibility through addressing systemic barriers in compliance and procurement.** DAC members can increase the accessibility of procurement systems and opportunities for local actors through tailoring and simplifying. The committee is working on addressing barriers for localization of aid-funded procurement to suppliers that are incorporated in the country at issue. DAC members' adaptations include allowing document submission in local languages and allowing flexible reporting methods, such as oral or video submissions. Canada's Grants and Contributions Transformation Initiative (GCTI) (see Box 5.1) is seen as a key opportunity to respond to the barriers that burdensome and complex administrative processes pose to more agile, accessible, and locally responsive programming. The initiative aims to maximise the impact of Canada's international assistance spending and minimise the administrative burden on staff and

partners, without compromising the values of accountability and the overall legislative framework for delivering international assistance. Notable approaches to streamline and simplify GAC's processes under this initiative include: FailSmart Labs, where innovative approaches can be piloted in specific operational contexts; a risk hackathon involving internal and external stakeholders to explore innovative approaches; AI tools to reduce the administrative burden in reporting; standardised tailoring of risk and due diligence approaches; and streamlined Project Implementation Plans. Another example is USAID's [Acquisitions and Assistance Strategy](#) and implementation plan that identifies opportunities to reduce barriers and streamline processes to support the agency's goal of a more diverse partner base. Many of the approaches in the strategy are utilised as part of the five-year [Centroamérica Local](#) initiative—in El Salvador, Guatemala, and Honduras, where USAID is making processes more accessible to prospective local partners. USAID Missions have created websites targeted to local actors highlighting opportunities, piloted the translation of key application documents into Spanish and local Mayan languages, and conducted extensive listening sessions with diverse local organisations. Local actors in Colombia, Ethiopia and Nepal also highlighted the importance of wider and more flexible calls for proposals that give space for local ideas, rather than dictating narrow objectives.

**Streamlining and harmonising compliance and procurement systems through pooling and collaboration.** Collaboration among DAC members and other providers can further simplify due diligence for local partners by harmonising requirements and recognising each other's assessments. Some DAC members are also more efficiently sharing and co-ordinating information they have already received, including across different government agencies. Using standardised third-party certification tools can also ease the burden on local actors; several initiatives exemplify these efforts (OECD, 2023). Efforts such as Sweden's Code of Practice Initiative and the [Charter for Change Due Diligence Passporting Tool](#) promote harmonised due diligence. Examples of successful joint assessments include the [Public Expenditure and Financial Accountability](#) programme<sup>59</sup> and the Multilateral Organisation Performance Assessment Network.<sup>60</sup> Switzerland has also successfully advocated for simplified due diligence requirements for Country-Based Pooled Funds in humanitarian contexts, prioritising localisation in strategic discussions with multilateral partners. Similarly, through the new [Localisation Strategy](#) for the pooled fund in northern Syria, funding partners including FCDO are able to support smaller, grassroots organisations to bypass eligibility criteria (see Box 3.6). Further, Canada's support for the [Equality Fund](#) illustrates how funders can streamline due diligence; the Equality Fund supports women's rights organisations with core, flexible funding, using a common reporting framework to reduce grantee demands (see Box 3.7).

**Providing accompaniment in selection and orientation processes to local actors.** Especially when working with new partners that are unfamiliar with DAC member systems and requirements, DAC members or local intermediaries can provide guidance by being available to prospective partners for questions and support on procurement and compliance processes. Preliminary conclusions from the DAC/SDG Fund study on the localisation of procurement (publication forthcoming) identified strong engagement with local suppliers has a key factor to facilitate access (including access to information and knowledge). USAID promotes this type of accompaniment in its Acquisition and Assistance Strategy. DAC members can also engage local intermediaries to provide this type of support. For example, in Nigeria, the [Adamawa Local Coalition](#), is supporting smaller organisations to navigate application requirements to access the UNOCHA pooled fund. Similarly, in Nepal, USAID is using local subcontractors to identify CSOs and local issues through formative field visits. Once the CSOs are selected, the local subcontractor guides the CSOs through the procurement process, helping them to better understand how to work with USAID (Nepal deep dive). Some local actors mentioned that a complementary way of enabling local agency in development projects is limiting donor branding, with some providers taking a backseat on self-branding (e.g., Nepal).

### *Increasing local agency and knowledge in programming*

**Sensitising actors to overcome bias<sup>61</sup> as well as respect, elevate and integrate local knowledge and expertise.** Progress towards valuing knowledge from Indigenous groups has been largely sectoral and substantially linked to locally led adaptation and biodiversity.<sup>62</sup> For example, the [locally led adaptation approach](#) centres on the knowledge, agency, and needs of local communities when crafting and executing

climate adaptation strategies. By focusing on context-specific solutions and leveraging Indigenous expertise, the locally led adaptation approach is increasing community agency in decision-making and accessing the essential resources for addressing climate change impacts (Soanes & Steele, 2017) (Patel, et al., 2020).<sup>63</sup> Similarly, multiple DAC members including Norway, Germany, Sweden, Netherlands, the United States and the United Kingdom are proponents of community-based natural resource management (CBNRM). For example, [Sweden's collaboration](#) with the International Fund for Agricultural Development (IFAD), is supporting Indigenous people to use their traditional knowledge to identify self-driven and innovative solutions to challenges including climate change and biodiversity loss. There is therefore a growing body of good practice from DAC members supporting the integration of traditional and Indigenous knowledge with contemporary approaches whilst navigating power dynamics, and in particular some DAC members are leveraging experience from their own domestic contexts. For example, New Zealand's [Strategic Framework](#), grounds its foreign policy in the principles of partnership and mutual respect, as a foundation for integrating indigenous worldviews and Māori knowledge into its development cooperation (MFAT, Strategic Intentions 2021-25). Further, New Zealand is elevating Indigenous knowledge in multilateral fora, and is using Pacific-based research methodologies to inform learning and project design (OECD, 2023). Its "[Hineaoana Halo project](#)", integrates Indigenous knowledge with scientific knowledge to develop high-impact ocean-based solutions. However, operationalising principles like locally led adaptation to leverage local knowledge and expertise can be subject to the tensions and challenges that arise when values, evidence standards and requirements do not align (Baguios, 2021).

### Box 5.3. Leveraging local knowledge in climate programming

The integration of scientific knowledge with local knowledge and understanding is crucial in countries where Switzerland is supporting climate adaptation and mitigation through its Climate, Disaster Risk Reduction, and Environment Programme. For example, in Peru, SDC collaborated with local actors to effectively "translate" and integrate scientific knowledge with local traditional beliefs. Switzerland also regularly partners with national universities and research institutions to implement climate activities, to leverage local expertise and contribute to institutional capacity strengthening. An independent evaluation of SDC's engagement in *Climate Change Adaptation and Mitigation (2015-20)* further highlighted that half of SDC's projects involve supporting local communities to organise and manage resources for their long-term benefit, drawing upon the Nature- and Community-Based Solutions (NCBS) approach.

Source: Capacity deep dive; Switzerland deep dive.

**Designing policies and programmes that support the co-production of knowledge whilst avoiding extractive practices.** This means mediating the tensions between different expectations, between extraction and empowerment, and the varying perceptions over the use of knowledge (Wilmsen, n.d.) by emphasising collaboration and partnership. DAC members have been strengthening local agency in framing and designing development co-operation by establishing policies, strategies and guidance on the co-production of knowledge that is of mutual benefit. Similar to the comprehensive set of strategies employed by New Zealand in partnership with the Māori, USAID's [Indigenous People's Policy](#) outlines specific policies and operating principles guiding how to identify, analyse, engage, safeguard, and establish partnerships with Indigenous people. The US Government's broader [Guidance on Indigenous Knowledge](#) (2022), recognises Indigenous knowledge as "one of the most important bodies of knowledge that contributes to scientific, technical, social, and economic advancements" (USAID, 2022) It calls for the co-production of knowledge as a research framework based on equity and the inclusion of multiple knowledge systems. In addition, in the climate sector, Switzerland has been leveraging local knowledge and co-designing adaptation initiatives with local actors, including those that act as "cultural translators" between traditional and scientific knowledge to facilitate exchange. Platforms can facilitate the sharing and integration of diverse forms of knowledge. For example, the Pacific Community (SPC) [Pacific Data Hub](#), supported by New Zealand, strengthens regional data capacity, integrates Indigenous data into its monitoring systems, and acts as a single, authoritative point of entry for all Pacific data, information and publications.



**Enabling flexibility for designing multi-year country strategies that are responsive to local needs, priorities and perspectives.** This includes aligning DAC member country strategies with national government strategic priorities and policies, as is the case in Ethiopia where the Ethiopian government is taking the lead in setting the agenda (through its national strategy) and in engaging development partners to garner support for its priorities.<sup>64</sup> Ireland develops multi-year country and regional strategies following consultative processes involving a variety of local actors and experts. For example, Ireland's Southeast Asia regional strategy involved broad consultation with local actors, including from academia, government and the private sector. The regular assessment of country strategies, through Ireland's mid-term reviews and end of strategy evaluations, enables country missions to be responsive to changing needs (Ireland deep dive). DAC member guidelines for developing and monitoring country strategies are another entry point for integrating locally led development, particularly in relation to local agency and influence in framing and design processes. Spain's bilateral partnership frameworks (MAPs)<sup>65</sup> enables a participatory approach to development co-operation, as illustrated in the [OECD Co-operation Peer Review](#) (OECD, 2022). MAPs are reviewed annually for accountability to assist with adaptation as contexts change and reports are shared with all partners. Spain's notable successes in development work in Colombia through [AECID](#) demonstrate the benefits of decentralised funding partner systems that empower embassies and technical offices to work closely with local partners and communities. MAPs consultations build foundations for trust and continuous dialogue between Spanish staff and local partners, and value local knowledge and expertise. In addition, USAID's recently updated [Program Cycle Operational Policy](#) places additional emphasis on the importance of engaging local actors early and often throughout the development and implementation of country strategies.

**Designing programmes and projects that align with existing local systems.** In Colombia, key informants highlighted that the design of DAC member programmes with sufficiently broad objectives (rather than detailed activities) allowed local actor agency in designing tailored activities that aligned with existing local priorities. Equally, Iceland's programme-based approaches at the district level achieve this through trilateral agreements between local authorities and ministries that align with existing policies, plans and budgets. District authorities are the key implementing agents and the programme closely follows district development plans and operational strategies; activities are "on plan and on budget" (OECD, 2021). In Nepal, Finland works in the WASH sector directly with the local government, which has a very decentralised tier structure extending from local municipalities at the top to the user groups, which are a collection of households using WASH facilities in any given area. The user groups have been given responsibility to collect WASH related tariffs (involving the collection of a small monthly payment from the users) and carry out local maintenance of WASH systems. The Government of Finland in Nepal works in WASH sector interventions with these local government systems instead of building their own parallel ones. These examples demonstrate that locally led development co-operation is facilitated when DAC members are able to identify and support already functioning local systems (Nepal deep dive).

**Investing in local innovation.** Innovation efforts led by local actors have been of vital importance to local and national development processes over decades and DAC members are increasingly investing in opportunities to test and scale contextually relevant solutions that go beyond single-point solutions and consider local systems. The public sector in low and middle-income countries is playing several important roles in advancing locally led innovation. This includes as a potential agent to adopt and scale solutions; a key entity that shapes rules, regulations and the enabling environment for local innovation to flourish; an agenda setter to shape the directionality of local Science, Technology and Innovation (STI) systems; and as a player that proactively searches for (hyper) local solutions. For example, France is supporting the World Health Organisation (WHO) to strengthen the capacity of the public sector in several African countries to better identify and scale up grassroots innovations addressing non-communicable diseases (NCDs) in primary health care. This is implemented by [the NCD Lab](#), a WHO platform that identifies and supports the scale-up of grassroots innovations addressing NCDs in low-resource communities. Finland is supporting national and local partners in Southern Africa to strengthen local STI systems and scale up local enterprises that have a viable commercial business model, and that unfold positive impact on people and the environment through the [Southern Africa Innovation Support Programme](#). To improve efficient and effective support of low- and middle- income countries (LMIC) innovation and local ecosystems, bilateral development agencies should

reassess their role in light of their specific comparative advantages and in consideration of their general evolution from solution provider to solution enabler.

**Holding regular co-creation workshops between potential local partners and DAC members to promote local actor agency in design.** For example, in Nepal, Australia holds periodic reflection workshops to engage local actors in designing programmes. Joint co-design workshops with local partners who pass through the first screening process was also identified as a good practice by local stakeholders in Nepal. This is a practice that USAID is also implementing in Nepal. In this case, the focal person/team from USAID allows the local partner to design their implementation plans but provides feedback on the design so it also aligns with USAID's broader requirements (Nepal deep dive). USAID's 2022 [Interactive Co-creation Guide](#) facilitates the process of co-creating programmes with local actors (USAID, 2022).

### *Promoting collective<sup>66</sup> accountability and learning*

**Collectively reflecting on decision making power across the programme cycle.** Determining where power imbalances persist (including between local actors themselves) is an important first step in building more inclusive and equitable partnerships and promoting local agency. A new tool, the [Decision Mapping Tool \(DMAT\)](#) allows mapping, reflection, and discussion on the allocation of decision-making power across an intervention.<sup>67</sup> It aims to elevate recognition for the role of the "local decision space", where local actors make autonomous decisions, recognising that decisions made within partnerships can reinforce existing power imbalances (King, 2023); (King, Muyumbu, Pinnington, & Rajadhyak, 2023). Findings from its application with the [Local Coalition Accelerator \(LCA\) in Uganda](#) highlighted that decision mapping can help depersonalise collective reflection on power dynamics within programmes, enabling different perspectives and experiences to surface constructively. It can also provide space to identify concrete actions to address challenges and barriers.<sup>68</sup> This multistakeholder process can involve the provider in the discussion and enables them to get a better understanding of how decision-making power is allocated in the programmes that they fund, including their own role in decision-making and its effects on power dynamics. The pilot in Uganda took place in the bi-annual "pause and reflect" learning workshop of the LCA, which created a space where a wide range of issues, beyond more narrow reporting on programme implementation and impact, can take place.

**Establishing locally responsive and locally designed accountability frameworks.** This is demonstrated by the German Federal Ministry for Economic Cooperation and Development (BMZ), in their [Participatory Development Programme in Urban Areas](#) (PDP), which operates in several countries, including India and South Africa. The PDP aims to improve living conditions in urban slums through community-driven development projects. BMZ, along with implementing partners and local communities, co-designs evaluation criteria and indicators to assess project effectiveness and impact. Likewise, DFAT's Australian NGO Co-operation Programme (ANCP) works closely with both the Australian NGOs and their local partners to co-design evaluation frameworks and criteria that reflect the priorities and context of the communities where the projects are implemented. Similarly, Spain agrees jointly with its partners, including local ones, on the expected results and indicators to be monitored as part of the MAPs. The Netherlands has implemented a collaborative indicator system to report on results in its development efforts for gender equality and the empowerment of women and girls. To support the Strengthening Civil Society policy framework, the Dutch Ministry of Foreign Affairs (MFA) introduced "basket indicators." These indicators are intentionally broad, allowing partners to tailor their reporting systems to their specific programmes, while still contributing to the MFA's overall evaluation and monitoring framework (OECD, 2022).

**Fostering collective accountability through multi-stakeholder and participatory approaches.** Local actors often perceive DAC member accountability to be disproportionately focused on domestic local accountability, without sufficient mechanisms to ensure international agencies are held accountable to partner country local actors (Pinnington, Kasaija, King, Ntezi Mbabazi, & Gulrajani, 2024). In efforts to put the [locally led adaptation principles](#) into practice, the "Least Developed Country Initiative for Effective Adaptation and Resilience" (LIFE-AR) project<sup>69</sup> in Uganda, one of the frontrunner countries, has established a national steering committee (involving government, civil society and academia) in which provider partners are required

to report on progress against agreed commitments on a regular basis. This has promoted DAC member [accountability to local actors](#) across development co-operation. Efforts within the humanitarian sector to promote [accountability to affected people](#) (AAP) also aim to increase the accountability of international agencies, including INGOs and multilaterals, to local actors through information sharing, participation in decision-making, and feedback systems. DAC members also have a role to play in incentivising AAP in their partnerships with international humanitarian agencies (Featherstone, 2023). Participatory approaches that are integrated into existing local governance mechanisms can also support local actor agency in accountability. For example, in Nepal, Finland is working with the local government system where there is a mechanism of social audit already in place, carried out by local user groups (in this case water user groups). In these social audits, it is the communities themselves that come together and do yearly appraisals of projects. The audit is facilitated by the local government and the user groups who implement the projects, including the provision of logistical support.

**Leveraging and supporting local capacity in accountability and learning.** Evaluations conducted by Canada's Evaluation Division of the [Women's Voice and Leadership Programme \(WVL\)](#) and the Partnership for Gender Equality ([Equality Fund](#)) demonstrate how local skills and capacities can be leveraged in approaches to feminist evaluation. Rather than a singular role in data collection, local evaluators (connected to women's rights movements) were given the opportunity to shape the framing of the evaluations, which used co-analysis and co-validation to draw on diverse perspectives. The work applied the principles of learning and social justice to advance feminist principles, break down knowledge hierarchies and enable a local lens to determine how programmes are evaluated. The ability to work in this way and explore feminist approaches to evaluation was supported by the policy cover provided by the FIAP. Another example is in Switzerland, where SDC guidelines on evaluation exercises recommend that the team conducting the evaluation includes at least one local evaluator. However, the expectations of external evaluations, both in terms of quality standards and in serving multiple purposes (learning, steering and accountability), can be a barrier for increasing the role of local knowledge and expertise in evaluations (Switzerland deep dive).

**Enabling innovative and local approaches that evaluate social change.** Traditional monitoring and evaluation frameworks, which rely on measuring performance against predetermined targets, are inadequate for assessing changes in gender relations and discriminatory social norms. DAC members have demonstrated commitment to innovative evaluation approaches, for example Canada's contribution to the [Global Evaluation Initiative](#), a global coalition of organisations and experts working to leverage their expertise to reduce fragmentation and catalyse collaboration and partnership. This initiative also seeks to expand guidance and support partner countries to integrate gender transformative and feminist evaluation approaches. Finland, UN Women Nepal, and their partners are developing a mix of tools to better measure social change at the impact level, particularly for SDG5 (gender equality) indicators. This initiative, "[Measuring Social Norms Change through Storytelling](#)," uses storytelling to track and influence shifts in gendered power relations and social norms. The storytelling methodology combines qualitative depth with statistical analysis to identify and understand pathways of social change at individual and community levels. This approach creates a feedback loop of evidence and learning, aiding long-term programming to influence social norms and end harmful practices. The project employs tools like SenseMaker to link programmatic efforts to changes in social norms and gender equality, and it is being implemented in four provinces in Nepal (OECD, 2022).

**Systematising learning through investing sufficient resources in local monitoring.** Learning from mistakes is identified by several DAC members as critical (e.g., Canada's "FailSafe Labs" and the Netherlands' "Fail Fest"), but there is often insufficient time and resources for partner visits and monitoring, highlighting the need for increased support in these areas. Conducting site visits to understand local partners' initiatives is a common practice adopted by most DAC members to support learning, where periodic country visits can help providers understand local needs and priorities, to ensure definitions of success and failure are firmly rooted in local realities. However, these visits require sufficient resources and time to be invested for regular and effective monitoring, and ideally should be led by local staff (OECD, 2017).

## 6. Measuring progress

### *Contextual influences and constraints*

**A robust measurement framework for locally led development enables DAC members to understand and track progress towards their commitments and ambitions on locally led development co-operation.** For external stakeholders – including local actors – it provides the basis for monitoring the performance of providers against their commitments, whilst creating space for local actor agency in monitoring, evaluation, accountability and learning (MEAL).

**Reflections on measuring progress related to locally led development co-operation are in their infancy and primarily limited to the humanitarian sphere.** These include the development of high-level targets, which draw primarily upon granular and qualitative approaches notably the [Measuring Localisation: Framework and Tools](#) (Piango & HAG, 2019). Rather than focusing solely on direct access to funding, this focuses on a range of locally led development enablers: i) policy influence and advocacy, leadership, participation, and capacity; ii) funding, co-ordination, complementary and partnership mechanisms. In the development sphere, several CSOs have developed frameworks including the [Localisation Performance Measurement Framework](#) (NEAR) and the UK AID-supported [Emerging Benchmarks for Seven Dimensions of Localisation](#) (START Network).<sup>70</sup> The objective of these frameworks is to empirically ground measurement in specific country contexts (Barbelet, Davies, Flint, & Davey, 2021) and to understand how the agency of local actors is enabled.

**Most DAC members are still in the process of fine-tuning their vision, and approaches for locally led development co-operation and have not yet designed comprehensive measurement tools.** The United States, Canada, Denmark and Australia are the exceptions and based on their respective visions for locally led development co-operation and business models, have been experimenting with a mix of measurement modalities. These include both quantitative (volume of funding directly provided to local actors) and qualitative indicators (assessing the agency of partners and enabling systems), with targets (United States) or ratings against a spectrum of progress (Canada and Australia).

**It is generally accepted that there is no “one size fits all ” measurement framework and several challenges arise in relation to definitions, coverage and data collection.** No “one” attempt would capture progress across all contexts, be sufficiently accurate, simple enough for all users, nor cover all locally led development co-operation enablers and outcomes. Indicators related to providing **direct funding** to local actors are under the public spotlight, with diverse perceptions on the scope and definition of who is a local actor. Further, the measurement of funding directed to local actors is hampered by the transparency of current reporting (Els & Carstensen, 2015), given **reporting gaps** including capturing funding indirectly provided to local actors.<sup>71</sup> There are no international databases collecting information on the amounts transferred to local organisations by international intermediaries and indicators related to direct access alone are not sufficient to determine whether an approach is “locally led” and would need to be accompanied by information on local partners' agency. Finally, measuring locally led development is challenged by **data collection processes**. Only a few institutions have business models that enable the processing of extensive and detailed information that would be relevant to measure progress towards locally led development without adding a heavy administrative burden on staff and partners.

### *Current approaches*

Current approaches for measuring locally led development co-operation focus on: i) applying evaluative frameworks that measure locally led development across diverse contexts; ii) establishing policy commitments to drive system-wide change; and iii) embedding accountability for locally led development in partner agreements.

## *Applying evaluative frameworks that measure locally led development across a range of contexts*

**Developing approaches to measure progress along a sliding scale/continuum.** For example, Canada's Evaluation Division has developed a pilot [Localisation Analysis Framework](#), which is an evaluation tool designed to measure a programme's alignment with locally led development across nine dimensions and to identify key barriers and enablers to programming with local organisations. Key features include a focus on the **relevance of local capacity strengthening** support by donors, which assesses the ability of a programme to leverage and build on existing local capacities and strengths, moving away from a deficit model. It also centres **local ownership and leadership**, across programme design, management, governance, monitoring, evaluation and learning (MEL).<sup>72</sup> Given the granularity of the information collected and the focus on agency, this framework is used to structure evaluations rather than to conduct regular monitoring.

### **Box 6.1. Measuring progress supporting local actor agency along a locally led development continuum (Australia)**

Australia has established a locally led development continuum, to help DFAT staff and implementing partners make informed decisions to **define the intent and level of ambition** in relation to locally led development at portfolio level when new programmes and phases are established, and to inform the monitoring of progress over time. The overall aim is to **progress investments along the continuum** over time taking into account the specific objectives of local actors, the context, capabilities of local and international partners, the scale of operations, choice of modalities, and management of risk safeguards.

The Continuum establishes a rubric with **nine dimensions of local agency**: i) ideation, planning, concept and design; ii) implementation and delivery approach; iii) decision making and responsibility; iv) resource distribution; v) partnership approach; vi) staff profile and procurement; vii) technical advisers; viii) MEL approach and accountability for results; and ix) role of intermediaries. **Progress is measured along a continuum or sliding scale**: emerging (local actors consulted); partial (local actors co-responsible); and advanced (local actors primarily responsible, with criteria identified for each. The approach is aligned with the "Local Actor Agency Compass" proposed later.

Source: (Australia, 2024).

**Reducing the administrative burden through drawing upon existing indicators.** A central challenge facing the measurement of progress on locally led development is the potential additional administrative demands placed on DAC members with limited existing organisational capacity for data collection and analysis. Some DAC members are responding to this challenge by developing measurement frameworks that utilise existing systems and draw on existing indicators. For example, DFAT has recently finalised a [Guidance Note on Locally Led Development](#) to support the implementation of this commitment, which includes a menu of indicative indicators for use by staff and partners, some being mandatory as part of the overall DFAT performance framework, and some optional to be adapted as needed. These indicators cover approximately one-quarter of the DFAT portfolio due to the challenge of regularly collecting the relevant data given funding channels and contractual agreements.

## *Establishing policy commitments to drive system-wide change*

**Establishing targets to drive system-wide change.** USAID's measurement framework is the first publicly tested DAC member framework. It relies on two main targets (see Box 6.2) and has developed [methods and indicators to measure progress on localisation](#) with a view to gaining a comprehensive understanding of its efforts towards supporting locally led development and nudging approaches across all channels of delivery. Data collection for both targets is managed internally.

### Box 6.2. Developing targets to measure locally led development progress (USAID)

**25% of USAID funding obligated directly to local partners by the end of 2025.** This target looks at Direct Local Fundin' (acquisition and assistance obligations given directly to local partners in a given fiscal year) and Direct South-South Funding (acquisition and assistance obligations given directly to developing country partners working in a third country in the Global South). It explicitly excludes partner government assistance, interagency agreements, personal services contracts, and agreements with public international organisations.

**50% of USAID programming will place local communities in the lead by 2030.** This target looks at all local actors, including partner governments. It measures the percentage of USAID funded activities in which local partners and/or local communities lead development efforts. Activities are considered as placing local communities in the lead if they implement at least two good practices in terms of direct local funding, creating effective local partnerships, recognising, and investing in local capacity, and engaging communities directly.

Source: (USAID, 2023)

#### *Embedding accountability for locally led development in partner agreements*

**Developing locally led accountability agreements with partners.** Rather than introducing corporate level indicators or targets, some members are piloting agreements with their partners. For example, Ireland's Civil Society Programme team monitors, on an annual basis, locally led development benchmarks integrated in memoranda of understanding (MoU) signed with Irish civil society partners, which will form an important component of the mid-term review of the programme. These benchmarks include: **accountability** to affected populations (especially in the context of humanitarian programming); proportion of **on-granting** to local organisations (currently at 31% for the programme as a whole); provision of **overhead costs** for local partners; proportion of **Global South leaders** on programme boards; and **narrative reporting** on locally led development progress (against the partner's locally led development policies). These are negotiated benchmarks put forward by the partners, and so offer an opportunity for a "bottom-up approach." Such frameworks can enable members to closely examine their practices, to identify how and the extent to which they are enabling locally led development, particularly in relation to the fundamental goal of shifting power and supporting local agency. Some international intermediaries are also in the process of modifying their partnership modalities from within. For example, Terres des Hommes has recently adopted a [Partnership and Localisation policy](#), in which they commit to include a fairer and more equitable share of funding in partner agreements with local partners and report back to the funding partners on this.

### Box 6.3. Denmark and NEAR pilot of locally led accountability agreements

Denmark has piloted working practices promoting collective accountability by requiring its NGOs to embed five elements of local leadership in their agreements with local partners. These elements, outlined in the NEAR principles within the Locally Led Development Performance Management Framework, focus on capacity-sharing, funding, advocacy, representation and equality. Additionally, headquarter staff engage directly with local partners at annual consultative meetings, beyond their intermediary NGOs. These country dialogues verify reports and establish trust-based relationships with local stakeholders. While some intermediary organisations (INGOs from development provider countries) may fear losing control, when it comes to funding, the mandatory nature of requirements has been welcomed by Danish INGOs.

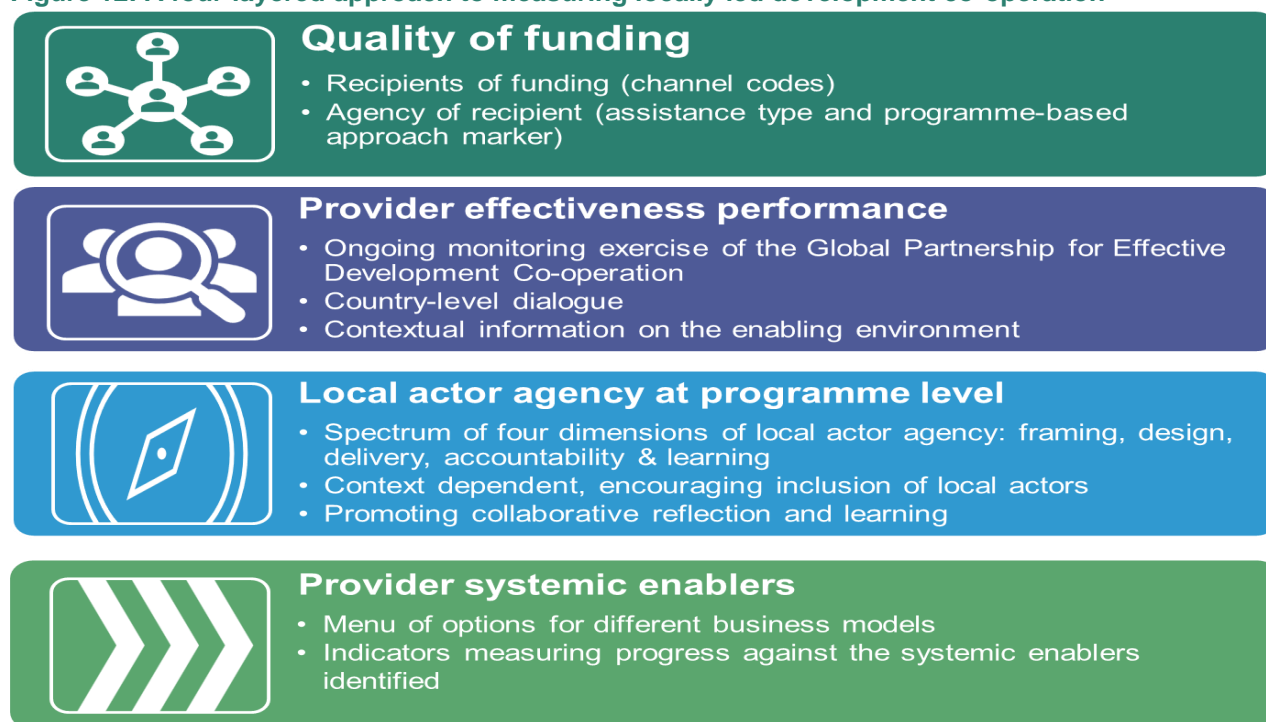
Source: (NEAR, 2019).

#### *Basis for a multi-faceted approach*

**A multifaceted approach to measuring locally led development.** Drawing upon the emerging DAC member good practices, the peer learning [conceptual framing](#), and the peer learning findings, any approach to measuring progress towards locally led development co-operation must be multifaceted to address resources, level of agency, and systematic enablers and barriers. In order to respect this ambition, being mindful of the diversity of context and the need to avoid adding administrative burden, a four-layer approach, mobilising existing international reporting might include approaches to measuring: i) **the quality of funding**

flowing to local actors; ii) providers' development co-operation **effectiveness performance** in given operating contexts; iii) actual and potential levels of **local actor agency** across development co-operation building blocks; and iv) DAC member **systemic enablers** (policy frameworks, institutional arrangements, financing and management systems).

**Figure 12: A four-layered approach to measuring locally led development co-operation**



### 1. *Measuring the quality of funding to local actors: Mobilising OECD CRS reporting*

**The OECD Creditor Reporting System (CRS) provides a comparable database of type of funding and channel of delivery mobilised by development co-operation providers.** It can provide a proxy for funding made available to local actors and some indication of its quality based on two measures: i) channel codes: providing information on which local partners have access to funding; and ii) aid-type codes together with the marker on programme-based approach can serve as a simplified proxy for the level of agency of the recipient, with core and budget support most conducive to local agency. Utilising the CRS has several benefits. First, it responds in part to one of the priorities voiced by local actors, regarding the request of transparency over the direction of funding and how this information can be accessed (Shift the Power Movement, 2024). It also avoids adding to administrative demands placed on members because it does not require additional reporting; it makes use of the CRS dataset, which has existed for years and will continue to be reported on, allowing for historical trend analysis and comparisons across donors and partner countries. This approach also has the merit of being relatively simple and replicable. It would allow the user to select a provider (and/or partner country if there is demand) and observe trends across each data category.

**As with all approaches, there are also limitations in using the CRS.** For example, CRS data only takes into account the first channel of delivery, which is not necessarily the “final” recipient. This means CRS data likely underestimates providers’ total support for locally led development by omitting locally led development support through international intermediaries.<sup>73</sup> The collected data for quality of funding is also not particularly granular and disaggregated, and depending on how it is reported and calculated, this approach would not be able to show if a funding flow is multi-year or not. Further, the timeliness of this dataset (published every two years) can be hard to reconcile and align with the approaches proposed below (Measurement deep dive).

## 2. Measuring provider effectiveness performance in given operating contexts: Mobilising GPEDC monitoring

The monitoring exercise of the **Global Partnership for Effective Development Co-operation (GPEDC)** is a partner country-led multi-stakeholder exercise to promote collective accountability on the effectiveness of development co-operation.<sup>74</sup> Data collected through the GPEDC's monitoring exercise provide valuable contextual information for DAC members and other stakeholders. This includes the enabling and representation of a diversity of country level stakeholders in development efforts. Additionally, certain metrics shed light on the behaviour of providers concerning the different dimensions of agency, notably "engagement and dialogue for national development strategies" and "country-level partnership frameworks" (see Measurement deep dive). Country-led dialogues are an opportunity to engage in multistakeholder and action-oriented discussions on the basis of the evidence gathered through the GPEDC monitoring exercise. Depending on the inclusivity of the process, these dialogues can be an opportunity for local actors to discuss DAC members' behaviour concerning inclusive consultations, alignment and agency in decision-making (framing, design, delivery, learning and accountability).

However, the use of the GPEDC also comes with limitations, including timing. The length of the monitoring process, including the timeliness of the different rounds or reporting and analysis, limits the possibilities for timely comparisons. However, this approach would still be able to provide a snapshot of the context and providers' performance in a specific country at a specific time. The validity of this approach is also heavily dependent on the level of inclusivity of data collection and country dialogue. Yet, it provides evidence on the state of play of development effectiveness at the country level to assess progress on existing commitments closely linked to locally led development (see Measurement deep dive).

## 3. Measuring the level of local actor agency in locally led development co-operation at programme level: Mobilising the Local Actor Agency Compass

Enabling locally led development co-operation means adjusting approaches across the whole portfolio. Based on extensive consultations and on the working definition of locally led development co-operation used for this peer learning, this means **recognising and enabling local actor agency across critical dimensions of development co-operation** (see Table 2). This can help unpack the assessment of progress towards enabling locally led development at programme level by questioning which local actors have agency and to what extent (using a spectrum approach). This structured reflection can in turn help identify barriers (external or internal) and concrete ways forward.

**Table 2. Agency building blocks across the four dimensions of development co-operation**

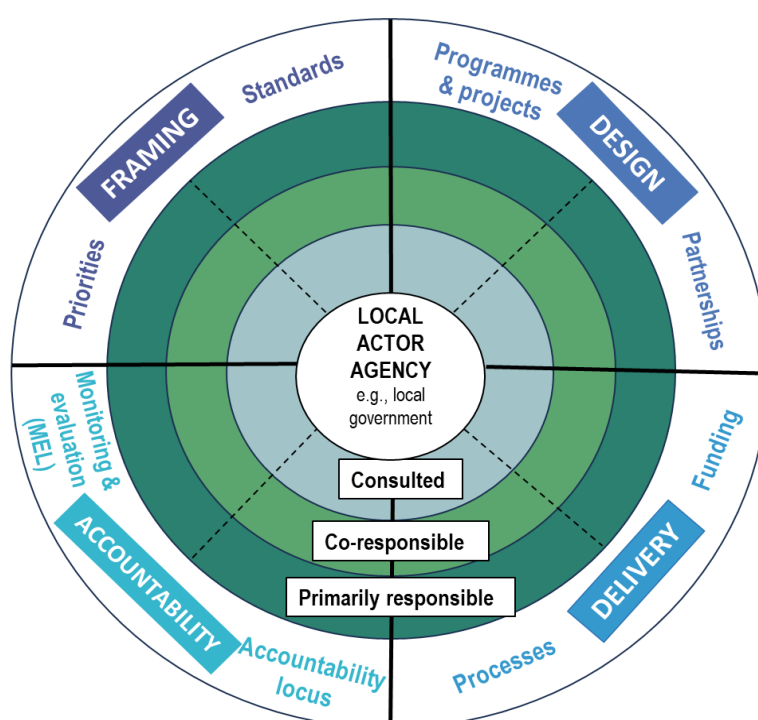
What is the agency of diverse local actors in development co-operation?			
Framing	Design	Delivery	Accountability
<b>Priorities:</b> identifying challenges and needs and setting development co-operation priorities including capacity strengthening	<b>Programmes &amp; projects:</b> planning, designing, and adapting	<b>Funding:</b> accessing flexible and sustained funding and controlling its use	<b>Accountability locus:</b> defining the lines of accountability and learning
<b>Standards:</b> setting guiding principles and standards for accountability and learning	<b>Partnerships:</b> designing partnership & collaboration mechanisms	<b>Processes:</b> selecting management & delivery processes/practices (e.g., financial, auditing, procurement)	<b>Monitoring, evaluation, and learning (MEL):</b> developing frameworks and selecting, producing, and sharing evidence



**Enabling locally led development is a process of shifting agency dynamics in specific contexts (local and systemic).** Applying a spectrum approach enables a more granular and operational understanding and identifies the actual/potential role of local actor agency as ranging from: i) **omitted**; ii) **consulted**; iii) **co-responsible**; and iv) **primarily responsible**. Feedback on agency levels can be collected qualitatively during discussions with different local actors or quantitatively depending on DAC member preference.<sup>75</sup>

**Mapping the current and potential role of diverse local actors across the development building blocks using the Local Actor Compass.** This can build understanding and assess the extent to which DAC member approaches enable or constrain diverse local actor agency, highlight gaps in perspectives between current levels and roles, local actor preferences, and DAC member expectations. The approach can be used to assess where barriers or conflicting objectives exist, and how the role of different local actors could evolve, the advantages and implications for different local actors leading each of the building blocks (Figure 14).

**Figure 14. Local Actor Agency Compass**



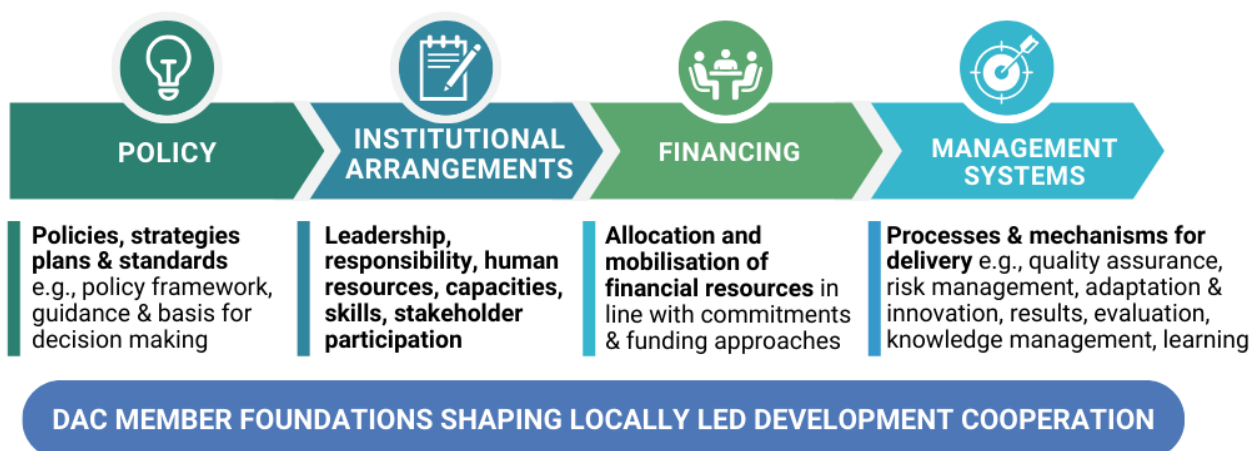
**Application of this framework will require adaptation to user needs and the context in which it is applied.** This compass does not necessarily represent an ideal configuration of agency but should be context-specific, recognising diverse perspectives within programmes. It can, however, serve as a guide for measurement, evaluation and learning frameworks and collaborative reflection and learning approaches, specific to locally led development co-operation. Practitioners are therefore encouraged to create space for the active involvement of local actors in shaping any application of the framework. Capturing perception-based data of diverse local actors and comparing it with the perception of development co-operation providers on the agency of diverse local actors, could also be integrated when utilising the compass in a specific context.

#### **4. Measuring DAC member systemic enablers**

**Policies, institutional arrangements, and management systems underpin all DAC members' strategies and operations.** Reviewing these systemic enablers is critical for identifying: i) opportunities for enabling locally led development co-operation; ii) potential quick wins; and iii) the need for more systemic change.

According to preliminary findings from the DAC peer learning review, key enablers to track could include those outlined in Table 5, which also shares indicative indicators.

**Figure 15: DAC member systemic enablers**



**This list of DAC member systematic enablers for tracking is not exhaustive.** Instead, it provides an indication of potential levers and enablers that development co-operation providers can track to better support locally led development co-operation. The ability to implement these would vary based on the different business models and therefore Table 3 should be interpreted as a menu of options, from which DAC members and potentially other development co-operation providers can choose from and adapt as needed.

**Table 3. Mapping DAC member enablers and indicative indicators**

	Enabler	Example indicator/s
POLICY	Clarity of intentions	Presence of a clear LLD policy statement or a shared definition (Y/N)
	Partnership principles	Presence of clear commitments to equitable partnerships (Y/N)
INSTITUTIONAL ARRANGEMENTS	Level of local staffing	% of local staff in country offices
	Local staff with responsibility	% of local staff with leadership, advisory, expert, or fiduciary responsibility*
FINANCING	Delegation of authority	Project initiation responsibility (HQ vs country office) / financial thresholds for decision-making
	Legal framework authorising direct funding to a diversity of local actors/ incentivising local procurement	Presence of legal framework (Y/N)
	Flexibility in financial planning, including via local intermediaries	Modalities that incentivise multi-year funding; ease of adapting funding between years and/or

	Enabler	Example indicator/s
		budget lines; presence of country and/or regional strategies
	<b>Providing incentives to international intermediaries</b> by explicitly including provision of overheads costs to local actors	Presence of policy on equitable overhead costs (Y/N)
<b>MANAGEMENT SYSTEMS</b>	<b>Due diligence mechanisms</b>	Ability to use due diligence procedures of others (Y/N)
	<b>Demand driven capacity strengthening support</b>	Flexible budget allocations for capacity support (Y/N)

\*Sex, age, and disability disaggregated (SADDD).

## 7. Pathways forward, prioritisation and sequencing

### *Mapping pathways*

The peer learning exercise has helped progress a shared understanding of locally led development co-operation, with diverse local actor agency at its core. Whilst the past two years have seen important advances, there is still some way to go, and system-wide efforts are needed to move towards collective and cohesive approaches, which address the deep-seated challenges and underlying barriers, and move towards effective locally led development co-operation.

DAC member pathways will need to converge at key points along their separate trajectories, to more coherently address systemic issues in the evolving and dynamic development co-operation ecosystem, whilst recognising growing voices and pressures beyond the DAC. Mutual engagement that galvanises the relative strengths of diverse stakeholders and manages divergent priorities, will drive collective change on critical issues, such as shared due diligence, pooling resources, and harnessing collaborative solutions for enabling more impactful and sustainable locally led development co-operation.

Inevitably, progress will be shaped by domestic realities, including tighter budgets, and competing priorities. This makes it even more important for each DAC member to sequence change and identify priorities, drawing upon the framing used in this synthesis paper, which helps DAC members navigate individual pathways for locally led development co-operation. Whilst DAC members will have different starting points, which will necessitate tailored approaches (taking into account different institutional and partner country contexts), sequencing of the enablers for locally led development could consider the following stages:

- **Putting in place the foundational enablers – policies and institutional arrangements** – for example, developing enabling policies or guidance, through to establishing management structures, such as creating a technical working group for locally led development;
- **Strengthening existing financing and partnership mechanisms and introducing new modalities** to create space for new and diverse actors to work together in more equitable ways;
- **Adapting management processes and delivery practices** to centre on the knowledge and capacities of local actors, whilst facilitating collective accountability;
- **Introducing ongoing progress measurement** drawing upon the four-level framework.

### *Selecting priorities*

Whilst there is no one-size-fits all approach, the peer learning has uncovered multiple good practices, where DAC members are successfully enabling locally led development co-operation. A review of these enablers highlights the following critical actions, which if replicated and scaled could make significant inroads on pathways towards changing the language and practice of development co-operation and recognising and enabling diverse local actor agency in development framing, design, delivery, learning and accountability.

### *Enabling policy and institutional foundational frameworks*

- **Action new and existing commitments** to locally led development through developing dedicated guidelines that build on existing good practices and target systemic barriers.
- **Draw on multi-stakeholder, consultative and participatory processes** to co-design guidelines and/or policy that responds to diverse local priorities and perspectives.
- **Engage, educate and sensitise domestic stakeholders** (parliaments, the media, the public) on the role and importance of locally led development co-operation.

- **Increase the role of empowered local staff** in development co-operation, including through rotations and training.
- **Establish a cross-sectoral working group or team to champion and integrate** locally led-development across different functions, geographies and sectors.
- **Invest in the development of both technical and soft skills** of staff to shift mindsets and diversify capabilities.

### *Enabling funding mechanisms*

- **Decentralise support and establish agreements with subnational governments** to increase funding flows to local government actors.
- **Support alternative, new generation pooled funds or adapt existing multi-partner pooled funds** (at all levels) to increase access of funding to local actors by streamlining access and due diligence requirements whilst engaging local actors in fund management leadership positions.
- **Fund local intermediary structures** – e.g., coalitions, consortiums and networks – to address barriers to funding many small initiatives, and to generate cost efficiencies and sustainability.
- **Establish organisational position/policies/guidance on the provision of core, flexible, multi-year, predictable funding** for larger local organisations, networks and coalitions.
- **Require international intermediaries to “pass on” overheads and quality funding** using funding agreements with clear criteria.
- **Support diverse grant mechanisms that provide rapid funding or fund innovations, administered** by local actors (e.g., CSO networks, subnational government) reducing high accompaniment costs and generating cost efficiencies.
- **Apply feminist principles to increase flows reaching women’s rights organisations and movements** to address under-resourcing driven by needs and priorities and ensuring flexibility.

### *Enabling partnership and collaboration mechanisms*

- **Create space for mutual listening and allow local actors to frame and design development**, create space for mutual engagement, inclusive dialogue, and support triangular approaches to build south-south communities of practice, share experience and co-create solutions.
- **Establish equitable partnership policy commitments or guidelines**, for diversifying and sustaining long-term impactful partnerships founded on trust and mutuality.
- **Mobilise and influence international intermediaries** to incentivise the application of locally led principles and practices to facilitate local actor agency.
- **Update approaches to partnership transitions** to promote partnership evolution with clear strategies and goals for increasing local actor agency and transitioning to local actors as prime partners.
- **Work with local intermediary partners**, recognising the untapped knowledge and capacities of local coalitions, networks, and larger local NGOs, as convenors, connectors, amplifiers, fiscal agents, and for peer learning and exchange.

- **Support tailored mutual capacity sharing**, which responds to local priorities, builds on existing strengths, facilitates peer-learning exchange, supports systemic changes (to enable scaling) and is sustained, including by outsourcing to local actors.

### *Enabling management processes and delivery practices*

- **Engage in efforts to reframe and better articulate approaches to risk** including shifting perceptions on risks and moving towards a more impact-oriented approach.
- **Adopt more collaborative approaches**, involving diverse local actors in the identification and management of risk.
- **Increase the accessibility of compliance and procurement processes** through tailoring and simplifying, as well as providing accompaniment and support, including through local intermediaries.
- **Promote local actor agency in design through centring local knowledge, priorities, and perspectives** in the design of strategies, programmes, innovations and accountability frameworks.
- **Enable collective accountability and mutual learning**, including through investing sufficient resources in locally led monitoring and knowledge exchange.

### *Measuring progress*

The proposed approach to measurement shared in this synthesis takes the diversity of DAC member pathways into account, and highlights four possible avenues for assessing progress, notably measuring; i) the **quality of funding** to local actors; ii) **provider effectiveness** performance; iii) **level of local actor agency** in development co-operation; and iv) **DAC member systemic enablers**. Whilst application of the framework will require adaptation to user needs and context, it will help DAC members on their pathways toward effective locally led development co-operation.

### *Pathways forward*

Although DAC members will take diverse pathways and locally led development co-operation will look different in each context, these pathways can strategically converge to ensure complementary approaches that drive systemic change across the development co-operation ecosystem. This peer learning synthesis report does not attempt to prescribe any one specific pathway, nevertheless, it provides a general sequencing of broad enablers for locally led development co-operation and uncovers multiple good practices for consideration. Whilst change will not happen overnight, converging on a common understanding and definition of locally led development, and more systematically sharing good practices, will support DAC members as they navigate pathways towards more effective locally led development co-operation.

## Annex A: Peer learning overview

### Peer learning overview

In early 2023, the DAC agreed to carry out a peer learning exercise to share and learn between peers approaches to promote locally led development ([IDCD/DAC\(2023\)5](#)). The peer learning process was conducted over a 12-month period and was organised around five key building blocks.

**Table A1: The peer learning building blocks**

<b>Framing locally led development</b>	<b>Desk-based research and consultation was undertaken to help clarify definitions and frame the peer review.</b> This was summarised in an <a href="#">Framing Paper</a> , tested during the peer learning exercise, and updated as part of this synthesis (see <a href="#">Annex B</a> ).
<b>DAC member case studies*</b>	<b>Three DAC member learning missions were undertaken in Canada, Ireland, and Switzerland.<sup>76</sup> The aim was to inform learning on DAC member enablers and constraints for locally led development</b> These involved desk-based review of DAC member documents, key informant interviews, a roundtable discussion on the final day, and drafting of key impression summaries and full case reports for each country
<b>Country dives</b> <b>deep</b>	<b>Three country missions were undertaken in Colombia, Ethiopia, and Nepal.</b> The aim was to understand wide ranging stakeholder perspectives on contextual influences on locally led development and perceptions of local actor agency in development framing, design, delivery, learning, and accountability. These involved desk-based review of DAC member documents, key informant interviews, group discussions, a donor round table, and drafting of key impression summaries and deep dive reports for each country.
<b>Thematic dives*</b> <b>deep</b>	<b>Six thematic deep dives were conducted to explore emerging questions and issues in depth, while offering space for technical exchange on:</b> i) <a href="#">risk management</a> ; ii) the role of multilaterals; iii) valuing and strengthening local knowledge and capacities; iv) accountability to local stakeholders; v) locally led development co-operation in politically constrained environments; and vi) measuring locally led development co-operation. Two further thematic deep dives explored locally led innovation, one focusing on the emerging role of the public sector and the other one discussing the role of local innovation ecosystems in scaling innovation and options for funders. These involved key informant interviews, secondary research, thematic events (with approximately 100 participants each), and the drafting of summary and full perspective papers for each deep dive.
<b>Learning consultation events</b>	<b>This synthesis report was presented in two multi stakeholder events.</b> The events organised to accommodate different time zones, shared the peer learning findings to a range of stakeholders (including local actors, CSOs, and development co-operation providers) and provided an opportunity for stakeholders to share feedback.

\*To be published.

### DCD Team

The learning exercise built across DCD's expertise. The exercise was coordinated by Renwick Irvine and Joëlline Bénédicte with support from Soon Yeol Chung, Anjeza Llulla, and Jenny Baracaldo Fernandez. Emily Bosh and Hector Moreno provided analytical and statistical support. The team benefited from insights and support from teams across the directorate (PEER; Climate Change, Biodiversity and Sustainable Ocean; Development Effectiveness; Civil society; Triangular co-operation; Results; Evaluation; Governance and anti-corruption; Crisis, Conflict and fragility; Statistical standards and methods; Innovation; Gender equality) and MOPAN.

## ***Research Team***

The Peer Learning Team comprised the [Share Trust](#): Sarah Selby (lead author), Rose Pinnington (lead author), and Courtenay Cabot Venton in collaboration with [Warande Advisory Centre](#), ODI, Epic Africa, and researchers Elshaday Kifle Woldeyesus, Anita Ghimire, Heidi Abuchaibe, and María Fernández from the three deep dive countries.

## ***The Sounding Board***

**Throughout the Peer Review Process, the Research Team was advised by the Sounding Board, who provided expertise and advice to guide the peer learning process.** Specific objectives of the Sounding Board, were to:

- ensure diverse perspective framed and informed the reflection;
- provide expert advice, review and overall guidance on overall plans, methodology and outputs; and
- ensure the peer learning achieved its objectives and met the needs of stakeholders.

The Sounding Board was made of representatives from Aga Khan Foundation, BRAC Bangladesh, Global Affairs Canada, Department of Foreign Affairs, Ireland, DAC delegate, Switzerland, Ecoweb, King's College London, Peace Direct, USAID, and Warande Advisory Centre.



## Annex B: Mapping of GPEDC monitoring component against dimensions of agency

GPEDC monitoring component	Dimensions of agency	Relevant indicator for CONTEXTUAL INFORMATION	Relevant indicator to discuss PROVIDERS' PERFORMANCE
<b>Engagement and Dialogue</b>	Diversity Framing	The degree to which partner country governments <b>engage a diversity of stakeholder groups</b> in preparing their national development strategies, and are in dialogue on development priorities and results, with joint assessments towards development co-operation targets.	The degree to which development partners (DPs) engage a diversity of stakeholder groups in preparing their country-level strategies or partnership frameworks.
<b>CSO Enabling Environment</b>	Diversity Framing	<p>Perception of CSOs on the degree to which partner country governments promote a CSO enabling environment, <b>through the legal and regulatory environment</b>, and by consulting and engaging CSOs as development actors.</p> <p>Perception of CSOs on the degree to which DPs promote CSO enabling environments (political, financial, legal and policy aspects) in their <b>policy dialogue with the government</b>, and through <b>financing mechanisms</b> that maximise sustainable engagement of CSOs.</p> <p>Perception of the partner country government and DPs on the <b>effectiveness of co-ordination and accountability mechanisms</b> used by CSOs in the country.</p>	
<b>Private Sector Engagement (PSE)*</b>	Diversity Framing	The degree to which countries engage country-level stakeholders in <b>developing national PSE policies/strategies</b> and in national dialogues on PSE.	The degree to which DPs engage country-level stakeholders in dialogues or consultations on PSE in development co-operation.

GPEDC monitoring component	Dimensions of agency	Relevant indicator for CONTEXTUAL INFORMATION	Relevant indicator to discuss PROVIDERS' PERFORMANCE
<b>Planning</b>	Framing Accountability	Countries have <b>developed their National Development Strategies/plans inclusively</b> , tracked implementation progress transparently, and linked them to sectoral and subnational strategies and implementation sources.	
<b>Respect Country's Policy Space</b>	Framing Accountability		The degree to which DPs use country-owned results frameworks and planning tools for developing their country-level interventions (SDG 17.15.1)
<b>Public Financial Management</b>	Delivery	<b>Quality of partner country's Public Finance Management systems</b> (PFM) [from the country's most recent PEFA assessment].	The degree to which DPs use partner country PFM systems when channelling funding to the public sector.
<b>National Budget</b>	Delivery		The degree to which DPs are predictable in the mid-term (forward spending plans received by the government).
<b>Accountability Mechanisms</b>	Framing Accountability	Countries have an <b>inclusive, regular, transparent, results-focused accountability mechanism</b> , which includes a policy framework and joint assessments.	
<b>Information Management</b>	Accountability		DPs report to country information management systems.
<b>Consultation</b>	Diversity Framing Accountability	Countries <b>engage representatives of women and girls, youth and children marginalised groups</b> in the preparation of their national development strategies, in dialogue on development priorities and	DPs engage representatives of women and girls, youth and children and vulnerable and marginalised groups in the preparation of

GPEDC monitoring component	Dimensions of agency	Relevant indicator for CONTEXTUAL INFORMATION	Relevant indicator to discuss PROVIDERS' PERFORMANCE
		results (using the national development strategies/progress reports); and in joint assessments towards development co-operation targets	their country-level strategies/partnership frameworks.

\*For countries reporting on the Kampala Principles Assessment.

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## Notes

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<sup>1</sup> As of 11 June 2024.

<sup>2</sup> Whilst the terms 'Global South' and 'Global North' are contested terms and variously defined, it is a general rubric for decolonised nations located roughly in the geographical south (LSE, 2021).

<sup>3</sup> According to the OECD Multilateral Development Finance report, by 2030 the multilateral system could channel the majority of DAC members' ODA (OECD, forthcoming September 2024).

<sup>4</sup> Two further thematic deep dives explored locally led innovation, one focusing on the emerging role of the public sector and the other one discussing the role of local innovation ecosystems in scaling innovation and options for funders. Publication of the deep dives is forthcoming.

<sup>5</sup> The peer review adopts a broad definition of locally led development, which encompasses both development *and* humanitarian assistance.

<sup>6</sup> Most local actors are based in the local context, but in some politically constrained contexts (e.g., the Syrian Arab Republic), some local actors, including NGOs, have had to relocate.

<sup>7</sup> Local actors can include government (national and subnational entities), parliaments, non-government organisations, grassroots associations, community-based organisations, traditional and spiritual leaders, academia, media, and the private sector. They can also include regional organisations, confederations, coalitions, and networks if member organisations maintain independent fundraising and governance systems. Internationally affiliated organisations, international NGOs, multilaterals, and international private sectors organisations are excluded from the definition.

<sup>8</sup> [OECD \(2022\) United States Peer Review](#).

<sup>9</sup> While the differences between 'locally led development co-operation' and 'decolonisation of aid' cannot be easily drawn, [Peace Direct](#) has argued that only decolonisation has the potential to contribute to genuine systems change. This is because decolonisation, unlike locally led development, addresses the history and consequences of structural racism within the aid system. Elsewhere, some Black scholars have argued against the decolonisation agenda, stating that it reinforces problematic stereotypes, diminishes the agency of historically colonised peoples, and reduces the harms caused under colonisation by drawing inaccurate parallels with today (Táiwò, 2022).

<sup>10</sup> For further good practice examples in the area of global education and awareness raising see: OECD (2021) [Global Education, Awareness Raising and Public support](#) - Development Co-operation Fundamentals.

<sup>11</sup> See: ['Localisation at USAID: The Vision and Approach'](#) (2022).

<sup>12</sup> For example, the focus on autonomy and subsidiarity within Strategy SDC 2010; partnership and subsidiarity in Concept "E-2010;" and partnership guidelines of the geographical sections.

<sup>13</sup> The UK has [committed](#) to developing a strategy on how the UK will support local leadership on development, climate, nature, and humanitarian action.

<sup>14</sup> The principles guiding Ireland's approach to locally led development co-operation emphasise equitable partnership, local ownership, mutual capacity strengthening, and participation (Ireland deep dive).

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<sup>15</sup> Nearly 100 organisations responded with valuable insights including on barriers for local organisations to accessing funding, and on the changing role of intermediaries.

<sup>16</sup> Moving Towards a Model of Locally Led Development ([Localisation Progress Report 2022](#)); [USAID A&A Strategy report](#)

<sup>17</sup> A method of learning, sensitising, and “knowing” a community, which involves development professionals living with host families in Global South communities to experience daily life.

<sup>18</sup> Recent emphasis on local agency in accountability (and more inclusive approaches to accountability, which confers more responsibility on local partners and locally embedded systems and processes) cannot be realised without adequate funding or provision of support, as these are key to autonomy (and local actor agency) (Accountability deep dive).

<sup>19</sup> The commitment goes on to note: “This shift will require a long-term development perspective, more flexible mechanisms, and support for organisational development and capacity strengthening. Implementing this approach will require creativity and innovation (...), it will also require building trust, simplifying reporting requirements, and re-examining the role of intermediaries.”

<sup>20</sup> This trend was mirrored in the deep dive countries, for example in Canada there was a rising share of multilateral spend and decreasing bilateral share (38.5% in 2021 compared to 48.8% in 2020). Further, the share of Canada’s multi-bi aid (bilateral ODA that is channelled via multilaterals) sat at 50.9% in 2021.

<sup>21</sup> The report ‘[Too Southern to be Funded](#)’ found that of the total USD 24 billion in DAC funding to CSOs, just over USD 2 billion was channelled to Global South CSOs. It identified this as a form of “tied aid,” linked to a loophole in the rules for tied aid, which exempts CSO assistance. The report calls for the removal of legal and regulatory barriers to allow more direct funding, the redefining of tied aid policies, enhancing transparency in funding, and advocating for reforms, which prioritise the voices of the most affected communities.

<sup>22</sup> The [IASC](#) has described ‘quality funding’ as enhancing collaborative multi-year planning with reduced earmarking.

<sup>23</sup> See [Pinnington et al., 2024](#); IASC 2022; Baguios, 2021; and OECD, 2023 for more information on barriers to localisation.

<sup>24</sup> For example, CSOs in Ethiopia and Nepal highlighted rigid payment schemes, delayed payments (including post-delivery), inflexible financial reporting systems, and the failure of international intermediaries to transfer the quality of funding they themselves receive from DAC members in terms of duration, flexibility, administration costs, and overheads.

<sup>25</sup> Defined in the peer review as contexts where: DAC member relations with national authorities have deteriorated, partially or completely (e.g., following coups, gross human rights violations, corruption); varying from autocratic, but stable, to protracted crises and conflict contexts; or affected by a constrained geopolitical environment characterised by fragmentation and competition (politically constrained deep dive).

<sup>26</sup> The OECD “[Funding Civil Society in Partner Countries](#)” toolkit provides concrete guidance on how to fund local civil society.

<sup>27</sup> However, statistics suggest that DAC member bilateral ODI channelled to local government only increased from 0% (2011) to 0.2% of total bilateral ODA (see Figure 7).

<sup>28</sup> In 2022, 28 percent of CBPF funding went to local or national organisations ([Global Humanitarian Assistance report 2023](#)).

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<sup>29</sup> Also known as programme support costs, non-project attributable costs, or negotiated indirect support cost rates. These are essential for investing in capacities and systems. Typically, international organisations have charged overheads on the whole value of the project without sharing, but there is an increasing shift towards charging overheads on the whole value of the project and then giving these to all project partners in proportion to the portion of the project they are implementing.

<sup>30</sup> Challenge funds allocate funds for specific purposes using competition among organisations or individual innovators as the lead principle. They seek to identify testable and scalable solutions, premised on the assumption that the best expertise to develop, test, and scale solutions can often be found beyond the organisational boundaries of the entity or entities managing or funding the challenge fund. Challenge prizes address development challenges by rewarding the first innovator to advance progress against the problem most effectively.

<sup>31</sup> Once an alert is raised, for often 'under the radar' disasters, proposed projects are reviewed and selected within 72 hours by local committees, then immediately funded. In May, 2024, the Start Network activated its two financing mechanisms in [Bangladesh - Start Fund](#) and [Start Ready](#) - in response to Cyclone Remal.

<sup>32</sup> The funding process (from application to disbursement) takes less than a week, which allows local NGOs to immediately focus on emergency response.

<sup>33</sup> African Women's Development Fund (AWDF), Fondo de Mujeres del Sur (FMS), International Indigenous Women's Forum (IIFI)/AYNI Fund (AYNI), and Women's Fund Asia (WFA).

<sup>34</sup> Key features include: i) the creation of a local committee to manage the process or project; ii) external facilitation to support decision making within the CDD framework; and iii) a community contribution in cash or labour.

<sup>35</sup> A Self Help Group (SHG) is a community-based organisation composed of 15 - 25 individuals sharing similar socio-economic backgrounds. These groups are self-governed and focus on empowering members through collective decision-making and resource pooling. SHGs address not only the financial aspects of poverty but also the broader dimensions of social capital and self-efficacy ([The Share Trust](#), 2024).

<sup>36</sup> Ireland allocated 46 percent of total ODA as core contributions to multilateral organisation in 2021.

<sup>37</sup> These provide guidance to DAC members and other providers on working with civil society actors and include a commitment to "support more equitable partnerships between provider country and/or international CSOs and partner country CSOs they work with, in which the comparative advantages of each type of CSO are appropriately drawn from." They build on past commitments, including the World Summit for Social Development (1995), which referenced building a "culture of cooperation and partnership"; and the Istanbul principles, which advocated for providers to "*pursue equitable partnerships and solidarity*" (2021).

<sup>38</sup> Movements to catalyse change and shift power within partnerships include the 'The [Pledge for Change](#),' the '[#Shift the Power movement](#),' 'Peace Direct's '[Transforming Partnerships in International Cooperation](#)', the [NEAR](#) movement, and the 'Re-Imagining the INGO and the Role of Global Civil Society' ([RINGO](#)) project.

<sup>39</sup> See for example Kuloba-Warria, 2023; and the OECD Toolkit, 2024.

<sup>40</sup> For example, sustaining partnerships and long-term capacity strengthening/sharing were identified by DAC members in Ethiopia as particularly challenging given the politically constrained contexts together with a need for improved

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coherence, complementarity, and collaboration across humanitarian, development, and peace actors working on shared objectives.

<sup>41</sup> Some practitioners have questioned whether the partnership paradigm is in fact the best route for pursuing locally led development. An alternative is for development co-operation providers to 'step back' and create space for local actor agency ([King, 2023](#); [King et al., 2023](#); [Baguios et al., 2021](#)). The peer learning findings suggest a combination is needed.

<sup>42</sup> For example, in 2019, the Colombia government created the "[National System of International Co-operation](#)" as a mechanism to foster and articulate collaboration between government entities, NGOs, and the private sector, which is reported to be enabling locally led development by encouraging the meaningful participation of community actors in all regions of the country.

<sup>43</sup> The prime partner is in the Philippines, and it is facilitated by USAID and a US-based learning partner involving 17 member institutions in Asia, Latin America, and the Caribbean.

<sup>44</sup> Other partnership assessment tools include those that focus on power, dignity, and equity, can support entities assess their own policies and ways of working. For example, the Netherlands has used the Partos '[Power Awareness Tool](#)' within the Institute for Multiparty Democracy.

<sup>45</sup> Independent Evaluation of SDC's Engagement in the Field of Good Governance and the Rule of Law (2017-2022).

<sup>46</sup> For example, the [Global Partnership for Effective Development Co-operation](#) launched in 2012 includes an emphasis on building better, more inclusive partnerships and the OECD DAC Recommendation on Enabling Civil Society in Development Cooperation and Humanitarian Assistance (2021); equitable and principled partnerships are an outcome pillar of [Grand Bargain 2.0](#).

<sup>47</sup> To date, 13 INGOs have signed the [Pledge4Change](#), which includes "equitable partnerships" in its first pledge for change.

<sup>48</sup> In 2021, 28 percent of gross bilateral ODA was channelled through multilateral organisations (earmarked contributions) and 17 percent core multilateral allocations (The 2024 Multilateral Development Finance Report - unpublished).

<sup>49</sup> Also known as Innovation for Change (I4C), a multi-donor network developed through extensive co-creation processes with local actors, supported by USAID, SIDA, the Aga Khan Foundation, and the Open Society Foundation.

<sup>50</sup> Triangular co-operation is when multi-stakeholders work together to co-create flexible, cost-effective, and innovation solutions. This comprises a combination of three roles, which may revolve throughout the implementation of the initiative, notably: i) the beneficiary partner, who seeks to tackle a specific development challenge; ii) the pivotal partner, with proven experience in the issue, shares resources, knowledge, and expertise; and iii) the facilitating partner, who helps to connect the beneficiary and the pivotal partners, supporting their collaboration financially and technically.

<sup>51</sup> See [The Capacity Cube](#) (IDS, 2024).

<sup>52</sup> Formerly the Pacific Risk Resilience Programme (PRRP).

<sup>53</sup> For example, in Ethiopia, local actors highlighted this as a particular problem, and noted that many CSOs apply for calls for proposals, even if these do not align with their organisation's established priorities or the needs of their targeted communities.

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<sup>54</sup> For example, see: [USAID](#) (n.d) 'Supporting sustainable livelihoods, increasing refugee and host community participation in Ugandan market systems.'

<sup>55</sup> See capacity deep dive (to be published)

<sup>56</sup> See [Risk Perspective Paper](#)

<sup>57</sup> See [Risk Perspective Paper](#).

<sup>58</sup> "USAID prioritises as an 'opportunity' the ability to strengthen locally led development for long-term sustainability" (USAID, 2022).

<sup>59</sup> Initiated by seven international development partners including France, Norway, Switzerland, and the United Kingdom and is a means of harmonising assessment of public financial management (PFM) across partner organisations by providing a framework for assessing and reporting on the strengths and weaknesses of PFM using quantitative indicators to measure performance.

<sup>60</sup> OECD (2023) '[Risk management and locally led development](#)', MOPAN assessments provide a multidimensional snapshot of organisational performance using the recently updated 3.1 MOPAN Methodology. They assess strategic, operational, relationship, and knowledge management, of selected organisations, as well as their results. [MOPAN](#) assessments provide a holistic view of an organisation's performance across global, regional, and country levels. Due to the diversity of organisations' mandates and structures, MOPAN does not compare or rank entities.

<sup>61</sup> Including the assumption that the Global North are the knowledge producers, and the Global South are the knowledge consumers, which leads to significant bias around the roles of each actor.

<sup>62</sup> For example, the [Principles for Locally Led Adaptation](#), endorsed by over 100 organisations, includes a principle on: "Informing adaptation decisions through a combination of local, traditional, indigenous, generational, and scientific knowledge that can enable resilience under a range of future climate scenarios."

<sup>63</sup> See [Locally Led Adaptation WRI](#)

<sup>64</sup> Despite recognising the government's effectiveness in agenda setting, key informants from the deep dive highlighted that this does not equate to community-centred priority setting and citizen engagement in priority setting was identified as limited.

<sup>65</sup> Marcos de Asociación País (Country Partnership Frameworks)

<sup>66</sup> This moves beyond "mutual" accountability and is in line with the DAC recommendation on CSOs, the [CSO Partnership for Development Effectiveness](#) and its membership in the GPEDC Steering Committee. This reflects a greater openness to include a broader range of stakeholders as partners (CSOs, local organisations, and communities) in development co-operation and a shift away from 'two-way' accountability between donor and partner country governments.

<sup>67</sup> From local decision spaces (where local actors are solely responsible), through partnership decision spaces, to external decision spaces (where external actors are solely responsible for making a decision). [King et al., 2023](#).

<sup>68</sup> See: 'Let's Talk About Power: LCA Uganda and the Decision Mapping Tool', [Share Trust Blog](#), March 2022.

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<sup>69</sup> Established in 2019, LIFE-AR is a vehicle for delivering the LDC 2050 Vision for a climate-resilient future. By encouraging a more ambitious climate response, LIFE-AR aims to promote at least 70 percent of global climate finance to be spent directly at the local level, addressing the priorities of communities facing the most significant impacts of climate change.

<sup>70</sup> [Global Mentoring Initiative](#), [Pando Localisation Learning System](#) (Keystone Accountability and Root Change), [Community-Led Assessment Tool](#) (*MCLD*).

<sup>71</sup> DAC members report on the first channel of delivery in the OECD Creditor Reporting System and so only funding provided directly to local organisations is captured.

<sup>72</sup> The pilot application of the framework in two programme evaluations (WVL, CFLI) identified three major barriers that hindered programming with local organisations: i) institutional factors, including requirements that are difficult for local organisations to meet in the context of GAC's risk appetite; ii) adverse local contexts in which international assistance programmes are implemented can create challenges that hinder local organisations from receiving donor funding (such as national legislation and government hostility toward GAC priorities); and iii) limited (GAC) human resources and capacity to support local partners without previous experience working with GAC or other donors.

<sup>73</sup> Using CRS data to approximate multilateral organisations' support for locally led development and imputing this back to the DAC funder is a way to partially remedy this gap. This would imply taking the portion of multilateral support for locally led development using the same approach outlined above and then attributing or imputing it back to bilateral providers based on their share of core contributions to multilateral organisations.

<sup>74</sup> The 4<sup>th</sup> monitoring round is conducted over a four-year global rolling round. From 2023 to 2025, countries have the flexibility to participate when most suited to their national processes and priorities. A global monitoring report will be produced in 2026.

<sup>75</sup> This approach bears comparison with existing tools for mapping local actor agency across different dimensions of development cooperation (e.g., [the DMAT](#)), and those that assess agency across a spectrum (e.g., the ladder of participation in the Partos [Power Awareness Tool](#)).

<sup>76</sup> In addition, a short mission was undertaken to the USA.