



USAID
FROM THE AMERICAN PEOPLE

Growing Momentum:

USAID Localization Progress Report

FY 2024

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EXECUTIVE SUMMARY

USAID has long recognized that local leadership and ownership are essential for fostering sustainable results across development and humanitarian assistance work. USAID has committed to shifting how it works to put local actors in the lead, strengthen local systems, and respond to local communities—a reform effort known as localization. Since the end of 2021, USAID has worked toward two Agency-wide localization targets: (1) to direct a quarter of its funding directly to local partners by the end of Fiscal Year (FY) 2025, and (2) to ensure at least half of USAID programs create space for local actors to exercise leadership over priority setting, program design, implementation, and defining and measuring results by 2030.

In FY 2024, USAID provided \$2.1 billion directly to local non-governmental, private sector and government partners, or 12.1 percent of USAID’s acquisitions and assistance (A&A) and government-to-government (G2G) funding. Of this, \$1.9 billion went to local non-governmental or private sector partners through A&A partnerships (double the dollar value of FY 2021 and 11 percent of all A&A funding); \$169 million went to partner country governments through G2G partnerships. An additional \$88 million went to regional partners, which, if included, brings the total to 12.6 percent. Both the number of new awards to local and regional partners and the number of unique local and regional partners also reached new highs in FY 2024, increasing by 87 percent and 48 percent, respectively, since FY 2021.

In FY 2024, USAID captured for the first time the extent to which its programs took steps to elevate local leadership across the project lifecycle phases of design; implementation; and monitoring, evaluation, and learning (MEL). The new Locally Led Programs indicator tracks the use of a set of 10 “good practices” including co-creating activity design or work plans, making subawards to local partners a significant part of a programmatic approach, using demand driven capacity strengthening, providing unconditional household grants, and adapting programs based on participant feedback. In FY 2024, 35 percent of activities met the full criteria for the Locally Led Programs indicator: utilizing at least one good practice in *each of the three phases* of the project lifecycle. These results show room to expand how USAID elevates local leadership in its programming, and additional analysis sheds light on opportunities to do so. Over three quarters of qualifying USAID activities utilized at least one of the ten good practices for local leadership, more often during implementation (64 percent of activities used at least one good practice during this phase) than during design (48 percent) or MEL (56 percent).

Over the last year, USAID continued a range of efforts to help the Agency advance locally led development and humanitarian response, including:

- Releasing new policies that emphasize the importance of working with and through local systems, establish expectations for locally driven programs, and outline new commitments to locally led humanitarian assistance;
- Revising operational policy to guide staff to embed local leadership and local knowledge throughout the Program Cycle;
- Changing forward funding guidance to facilitate partnerships with local organizations;

- Integrating localization into Missions' and Washington operating units' strategic planning processes;
- Continuing to lower barriers to entry for local partners, including through increased outreach, the expansion of WorkWithUSAID.gov, expanded use of local languages, and more flexible and tailorable pre-award assessments;
- Implementing revised regulations that simplify requirements for federal assistance, reduce burdens on staff and partners, and provide new flexibilities;
- Investing in USAID's workforce, including supporting professional development and career advancement for locally hired Foreign Service National (FSN) staff whose skills, local knowledge, and continuity at Missions critically support localization efforts;
- Applying new staff performance criteria focused on diversified partnerships and locally led programs; and
- Continuing to advocate for locally led development in the broader development and humanitarian community.

Organizational change does not happen quickly, but the momentum we have helped generate for localization provides a strong foundation for USAID's future efforts to advance locally led development and humanitarian response.

INTRODUCTION

There is widespread consensus, backed by experience and evidence, that development and humanitarian assistance is most equitable, effective, and sustainable when local actors set their own agendas, develop solutions, and bring their capacities to bear to achieve solutions.¹ Over the last fifteen-plus years, USAID has committed to advancing locally led development and humanitarian assistance through various initiatives, including USAID Forward, Local Solutions, the Journey to Self Reliance, and the New Partnerships Initiative. Since 2021, USAID has redoubled this commitment to locally led development and humanitarian response through localization—a set of internal reforms, actions, and behavior changes the Agency is undertaking so that its work puts local actors in the lead, strengthens local systems, and is responsive to local communities. Through localization, USAID seeks to elevate the knowledge, capacity, and credibility of local actors to drive change in their own countries and communities. Localization

¹ Select evidence that corroborates this view include: Andrews, Matt, Lant Pritchett, Salimah Samji, and Michael Woolcock. 2015. "Building Capability by Delivering Results: Putting Problem-Driven Iterative Adaptation (PDIA) Principles Into Practice." *A Governance Practitioner's Notebook: Alternative Ideas and Approaches*, 123-133. Paris: Organisation for Economic Co-operation and Development (OECD); Campbell, Susanna. 2018. *Global Governance and Local Peace: Accountability and Performance in International Peacebuilding*. Cambridge University Press; Honig, Dan. 2018. *Navigation by Judgment: Why and When Top-Down Management of Foreign Aid Doesn't Work*. Oxford University Press; USAID. 2022. [Integrating Local Knowledge in Development Programming](#).; Oxfam and Save the Children (2016). [The Power of Ownership](#).

also recognizes the role that all development and humanitarian actors—both local, national, regional and international—play in creating opportunities for advancing local leadership and responding to locally identified priorities.

USAID holds itself to account for achieving its commitment to localization, in part, by measuring progress toward two Agency-wide targets that track how USAID is shifting funding and decision-making power to local actors.

Direct Local Funding

USAID will provide at least 25 percent of its program funds directly to local partners by the end of FY 2025.

Local Leadership

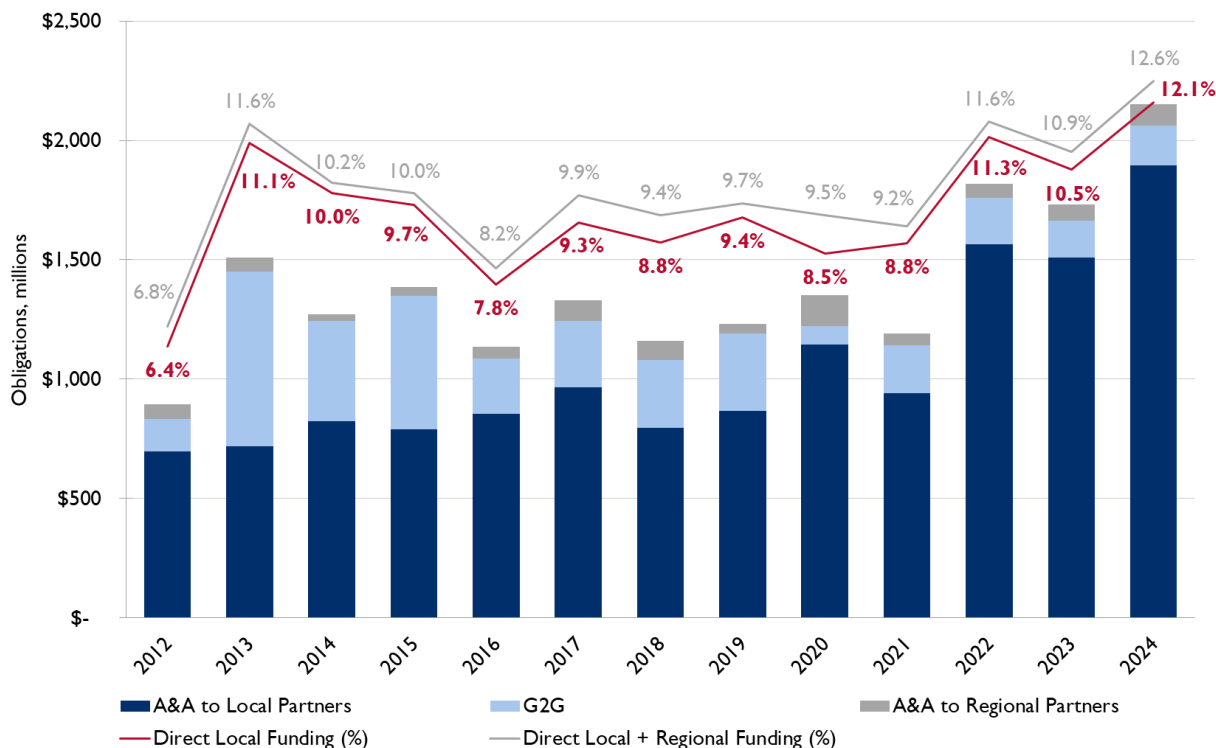
By 2030, 50 percent of Agency programs will place local communities in the lead to set priorities, co-design projects, drive implementation, and define and measure results.

This report documents USAID’s progress toward these goals in FY 2024.

FUNDING LOCAL AND REGIONAL ACTORS DIRECTLY

In FY 2024, USAID channeled \$2.1 billion, or 12.1 percent of A&A plus G2G funding, to local civil society, private sector, and government partners (Figure 1). An additional \$88 million went to regional non-governmental and private sector partners, which, when included as a more expansive view of local partnerships, would bring the FY 2024 total to 12.6 percent. The amount of direct funding to local, regional, and government partners has increased by 80 percent compared to FY 2021, the year before USAID announced its localization targets. Within that total, the amount of direct A&A funding to local partners has doubled. Overall, the percentage of direct funding to these groups of local and regional partners has increased 39 percent compared to FY 2021, even as the total amount of annual funding (the denominator) also increased by over \$4 billion in that time period.

Figure 1: Direct Local and Regional A&A+G2G Funding over time (millions of dollars and percent)²



Note: Direct local funding consists of A&A (dark blue) and G2G (light blue), with the percentage of direct local funding represented by the red trendline. The addition of regional funding is represented in gray.

Past localization progress reports have focused principally on direct funding to local non-governmental and private sector organizations. However, an expanded view of direct local funding that includes USAID’s G2G assistance creates a more complete picture and underscores that partnership with governments, alongside partnership with local civil society, local universities, and local firms, is an essential part of USAID’s strategy to support locally led

² For methodological details, see the key performance indicator reference page on direct funding for localization found on [USAID’s localization measurement page](#).

The graphs in this report only capture funding through Partner Government Implementing Mechanisms in which USAID direct financing is based on cost (i.e. Cost Reimbursement or Fixed Amount Reimbursement mechanisms). They exclude other Partner Government Implementing Mechanisms (i.e., program assistance) in which USAID direct financing made through generalized resource transfers (i.e. Sector Program Assistance, Budget Support/Balance of Payments) rather than cost and is based on meeting defined performance benchmarks (e.g., policy reforms). In the last ten years, USAID has used program assistance only in Jordan. In FY 2024, USAID provided Jordan with \$845 million in general budget support. However, program assistance may be useful to capture as part of future localization targets; future updates to USAID’s operational policy governing program assistance may lay the foundation for these Partner Government Implementing Mechanisms to be more widely used. USAID also provided \$3.9 billion in budget support to the Government of Ukraine in FY 2024. However, since the assistance was provided via World Bank mechanisms and not direct G2G assistance, this funding is not included in this report.

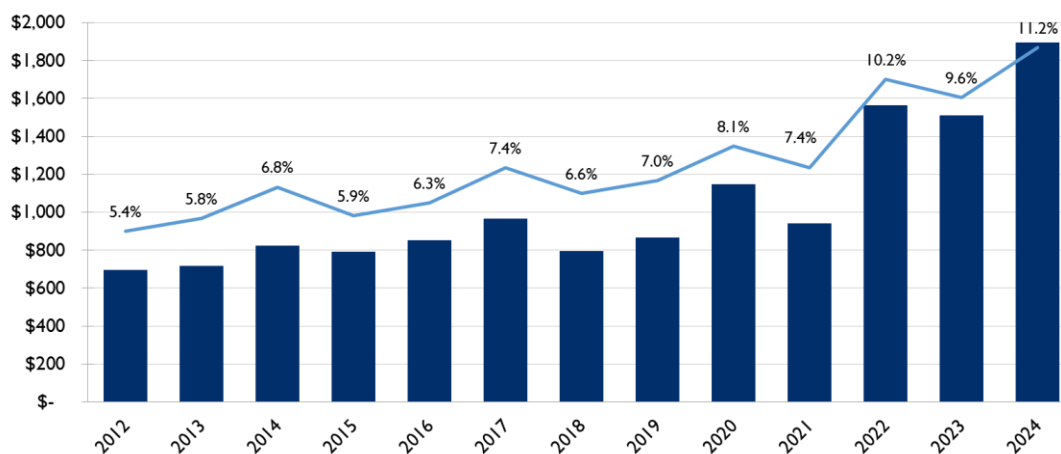
FY 2012 G2G data in Figure 1 include only quarters 3 and 4.

development.³ Partner governments have critical roles in governance and service delivery, and by working through—and strengthening—local systems, G2G partnerships can reduce corruption, build confidence in a government’s ability to deliver services to its people, and foster sustainable results.

Tracking funding to organizations and firms based in a country within the same region provides an additional, more comprehensive lens. Though this is a small amount of funding, it is important to capture since many development and humanitarian challenges are cross border in nature. In addition, in particular contexts, security reasons drive some organizations to locate outside of the country in which they work.

Looking just at local A&A funding, the core metric from [prior reports](#), in FY 2024, USAID provided \$1.9 billion to local partners, or 11.2 percent of its acquisition and assistance (A&A) funding (Figure 2). The amount of direct local A&A funding in FY 2024 was 120 percent higher than it was, on average, the previous decade (FY 2012-FY 2021).

Figure 2: Direct Local A&A Funding over time (millions of dollars and percent)



The number of unique local and regional organizations USAID partners within a given fiscal year has increased by 48 percent since FY 2021 (Figure 3). Similarly, the number of new awards to local and regional partners in FY 2024 is 87 percent higher than in FY 2021 (Figure 4).⁴

³ Please see [ADS 220](#) for more information on G2G, including country eligibility criteria for G2G programming. Because project-based G2G assistance has historically been a very small portion of USAID’s funding, including it in the Agency’s direct local funding data increases the Agency’s progress towards its 25 percent target only incrementally in this report, while better recognizing this important type of local partnership. Over time, however, USAID’s forthcoming G2G strategy and other reforms should help increase the Agency’s use of this important tool.

⁴ Both of these figures exclude government partners in G2G partnerships.

Figure 3: Number of unique local and regional partners

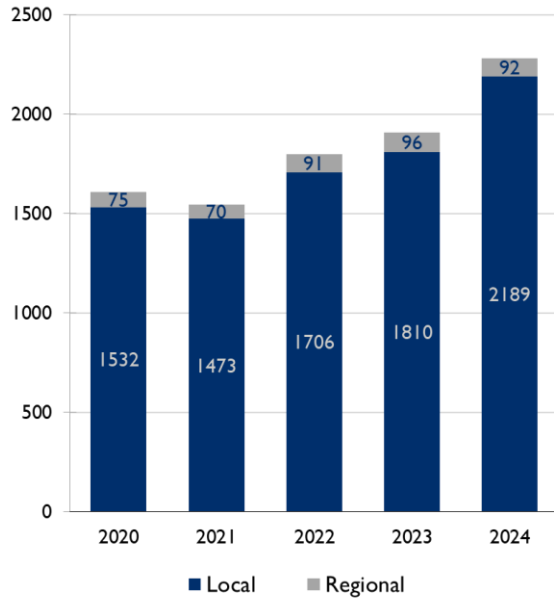
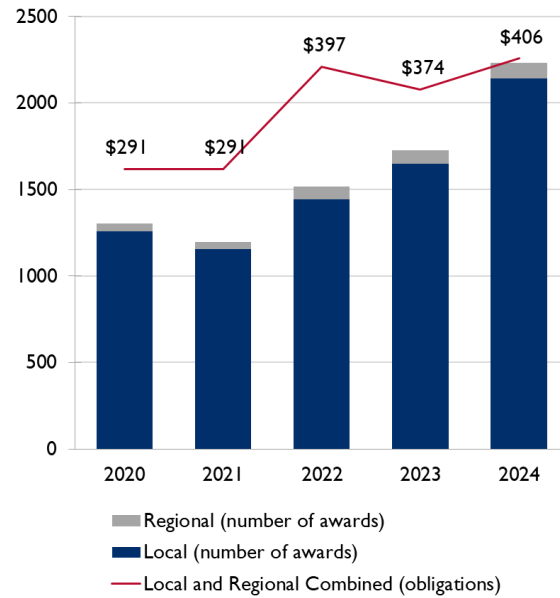
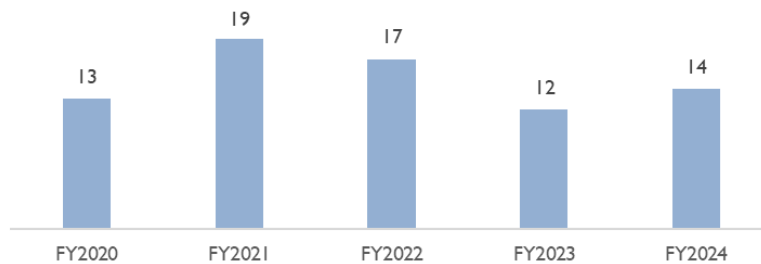


Figure 4: New awards to local and regional partners (millions of dollars and number of awards)



The number of countries with G2G agreements has varied over the last five years (Figure 5).⁵

Figure 5: Number of countries with G2G agreements



See [Annex I](#) for more detail on direct local, regional, and G2G funding by region and sector and [Annex III](#) for direct local, regional, and G2G funding by Mission/overseas operating unit (OU).

⁵ In FY 2024, USAID funded G2G agreements with Benin, Georgia, Ghana, Honduras, Jordan, Liberia, Malawi, Mozambique, Namibia, Nepal, Pakistan, Senegal, South Africa, and Uganda.

ENABLING LOCAL LEADERSHIP OF USAID PROGRAMS

In FY 2024, USAID introduced a new Agency-wide metric to better understand the extent to which USAID-funded activities take steps to elevate local leadership during program design, implementation, and defining and measuring results. The Locally Led Programs indicator tracks the extent to which USAID programs utilize certain “good practices” that advance locally led development across the project life cycle.⁶

The indicator is organized around three core categories of the project lifecycle: activity design, activity implementation, and activity MEL. Each category contains a set of good practices that were identified through broad internal and external consultations, and refined based on a FY 2023 pilot exercise.⁷ The breadth of good practices—which include approaches that USAID and implementing partners can lead—reflects that there is no single way to elevate local leadership that is relevant for all contexts. At the same time, the set of good practices is not an exhaustive list of ways USAID and its partners can shift power to local actors.

Figure 6: The Locally Led Programs indicator’s 10 good practices for local leadership



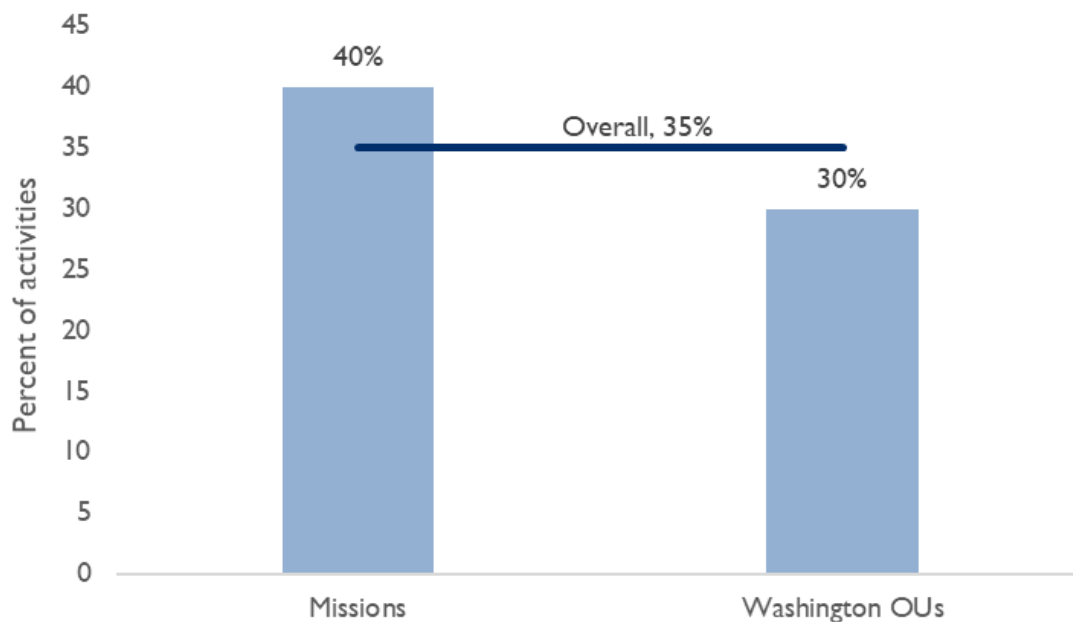
⁶ Read more about the Locally Led Programs indicator in an [overview](#) and [fact sheet](#). A detailed description of the methodology can be found in the indicator’s [FY 2024 reporting guidance](#).

⁷ USAID’s blog, “[What does it mean for USAID programs to be locally led? We asked!](#)” describes the consultative process and qualitative analysis used to inform the development of the Locally Led Programs indicator. USAID’s [FY 2023 Localization Progress Report](#) describes the pilot process and key lessons learned.

In FY 2024, USAID applied the Locally Led Programs indicator to its global programmatic portfolio. Of the 5,355 reported qualifying activities that were active during the fiscal year, 55 percent were managed by Missions and 45 percent were Washington-led.⁸ An activity is considered to meet the criteria for the Locally Led Programs indicator, and is counted toward the Agency’s 50 percent local leadership goal, if it has implemented *at least one good practice from each of the three categories*—activity design, implementation, and MEL—which represent phases of the project lifecycle.

In FY 2024, 35 percent of all activities met these criteria (Figure 7). Activities managed by Missions (40 percent) were more likely than activities managed from Washington (30 percent) to include good practices for local leadership across all three phases of the project lifecycle.

Figure 7: Activities that meet the criteria for the Locally Led Programs indicator (at least one good practice in each of the three phases of the project lifecycle)

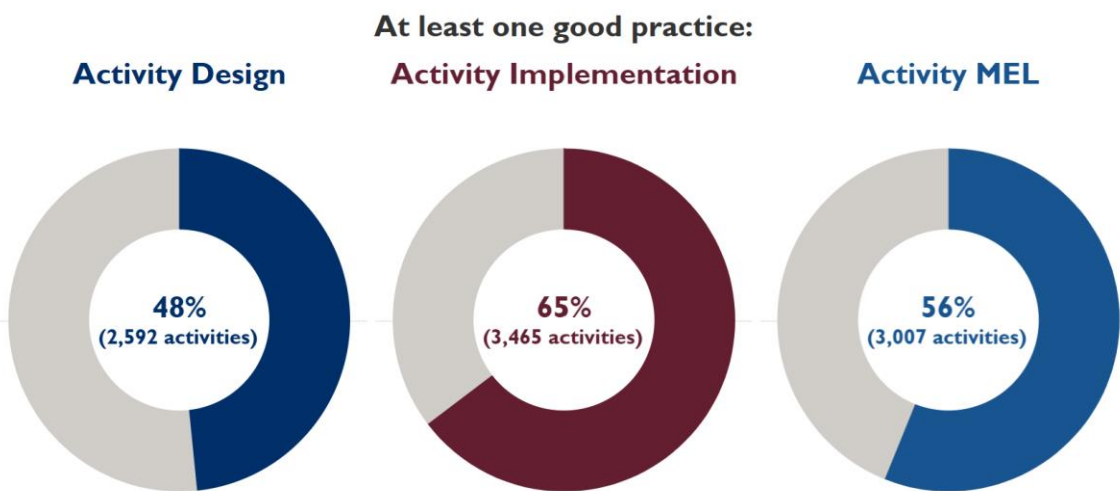


The results demonstrate that there’s room to expand the ways that USAID creates space for local leadership in its programming. Additional analysis identifies a few opportunities to begin to do so. Most USAID activities (77 percent) utilized at least one of the ten good practices.⁹ Furthermore, 63 percent of Mission activities and half of Washington activities (49 percent) used good practices in at least two of the three project life cycle phases. Good practices were more widely used during activity implementation than they were during activity design or MEL (Figure 8).

⁸ See the [FY 2024 reporting guidance](#) for a description of what counts as an activity. Each reporting operating unit determined which activities met the criteria for reporting under the Locally Led Programs indicator.

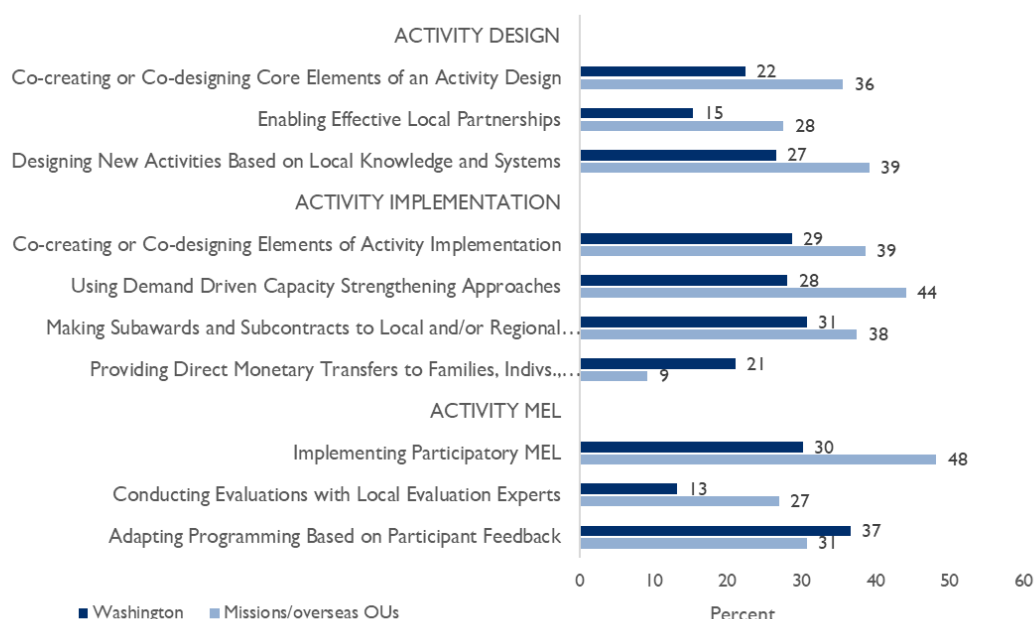
⁹ USAID would not expect that all of its programs would include good practices for local leadership. The list of good practices would be less relevant, for example, for awards funding freight transportation of humanitarian commodities.

Figure 8: Use of at least one good practice by project life cycle phase



Missions utilized almost all individual good practices more than Washington OUs (Figure 9). Only providing direct monetary transfers to individuals, households, or microenterprises—an intervention most often used in humanitarian response—and adapting programming based on participant feedback were used more by Washington.

Figure 9: Individual good practice utilization at Missions and Washington OUs¹⁰



¹⁰ Missions included in Figure 9 are those with data reported in [Annex III](#). The Washington OUs represented in these data are: the Bureau for Conflict Prevention and Stabilization, the Bureau for Democracy, Human Rights & Governance, the Bureau for Global Health, the Bureau for Inclusive Growth, Partnerships, and Innovation, the Bureau for Resilience, Environment, and Food Security, the Bureau for Humanitarian Assistance, the Bureau for the Middle East, the Bureau for Europe and Eurasia, and the Bureau for Latin America and the Caribbean.

Overall, looking at Mission and Washington activities together, only two good practices—demand driven capacity strengthening and participatory MEL—were used in more than 35 percent of activities. Some practices would be expected to have lower utilization; enabling effective local partnerships, for instance, only applies to the minority of awards with a local, regional, or government prime partner. But the fact that few of these individual practices are particularly widely utilized suggests considerable scope for expanding their use.

The Locally Led Programs indicator helps USAID better understand the ways its programs create avenues for local actors to exercise leadership. By measuring these processes, USAID highlights their value and encourages greater intentionality around their use, by both implementing partners and USAID. Staff have shared that reporting on the Locally Led Programs indicator is starting to prompt a different way of thinking about designing activities.

See [Annex II](#) for analysis of the Locally Led Programs indicator by sector and [Annex III](#) for Mission/overseas OU-level data.

BUILDING MOMENTUM

Localization is fundamentally a reform agenda—the steps USAID is taking to work differently to shift resources and decision making power to local actors. This section outlines select steps and actions USAID took in FY 2024 that have helped change how the Agency works to advance locally led development and humanitarian response.

Strengthening the policy foundation

USAID's new [Locally Led Humanitarian Assistance Policy](#) explores the challenges and opportunities for local action in humanitarian settings and articulates goals to increase local leadership over USAID's humanitarian work. A new [Local Systems Position Paper](#) reiterates USAID's commitment to using systems thinking and systems practice to better understand complex development and humanitarian challenges and leverage the local capacities and relationships that ultimately drive sustainable progress. The Agency also continued implementing its [Local Capacity Strengthening Policy](#)—as documented in the policy's [2024 implementation updates](#)—to drive how USAID and its partners invest in the capacity of local actors and systems to better achieve results.

Several other policies released in FY 2024 also embed locally led development as a key principle. USAID's [Resilience Policy](#) emphasizes investment in local systems and co-creation with local actors as central to resilience and sustainability. The new [Democracy, Human Rights, and Governance Policy](#) commits to creating locally driven programming and using evidence to tailor or adapt programs with local leaders and communities. The [Knowledge Management and Organizational Learning Policy](#) encourages the use of local and Indigenous knowledge and promotes efforts to strengthen local knowledge and learning ecosystems. The new [Position Paper on Direct Monetary Transfers for Development Outcomes](#) emphasizes the value of an aid modality that shifts resources and decision making power to a very local level by giving individuals, households, or small/medium enterprises the flexibility and autonomy to determine

how to improve their well-being. And USAID's [Cost Effectiveness Position Paper](#) emphasizes the importance of local knowledge to contextualize approaches that evidence shows have relatively high impact per dollar, including adapting these approaches for delivery by local actors and through local systems.

Over the last year, USAID also worked on some forthcoming policies that will emphasize and support locally led development. USAID's new Global Health Development Policy, due out in 2025, recognizes locally led development and country ownership as a guiding principle for global health programming, stating that local governments and communities are critical actors required to achieve effective, sustainable local health services and systems. In addition, USAID began to lay the groundwork for the Agency's first ever G2G Strategy, which will describe steps USAID can take to make better use of this tool to strengthen public sector systems that are critical for producing and sustaining development results.

In addition to these high level development and humanitarian policies, USAID also updated key chapters of its operational policy in FY 2024 to better reflect the Agency's locally led development goals. The operational policy chapter governing the Program Cycle ([ADS 201](#)) now ensures attention to local leadership and local knowledge is embedded throughout strategic planning, program design, implementation, and MEL. Revisions to the chapter on policy development ([ADS 200](#)) include new requirements that USAID's development and humanitarian policies emphasize local leadership and local systems and are shaped by local knowledge, context, and priorities. The Agency's forward funding guidance for program funds ([ADS 602](#)) now allows OUs to forward fund awards up to 24 months (an increase of 6 months), which gives Mission staff additional time to work through the unique characteristics of working with local organizations. The guidance also enables OUs to fully fund "small awards" up to \$4 million, reducing the number of funding transactions needed to fully fund a small award.

Strategically planning for locally led development and humanitarian response

Many Missions that updated their [Country Development and Cooperation Strategies](#) over the past year have discussed how they will pursue localization goals within their specific context.¹¹ Other OUs also undertook significant strategic localization planning in FY 2024. For example, USAID's President's Malaria Initiative (PMI) team crafted a new [Vision Statement for Investing Locally](#) that outlines their intention to deliberately work to shift more leadership, decision-making, and implementation to local partners to ensure sustainable, effective, and equitable malaria services and support stronger health systems. The Vision Statement also includes detailed, time-bound, measurable targets for more direct investment in local and national organizations and governments. The Bureau for Resilience, Environment, and Food Security developed a roadmap for advancing localization within Feed the Future activities to inform current and future efforts to advance learning, engagement, and partnerships with local organizations. The Bureau for Global Health and Bureau for Democracy, Human Rights, and Governance have started integrating locally led development as a more structured part of their portfolio reviews. The Bureau for Humanitarian Assistance, as the lead operating unit for the

¹¹ For example, USAID/Nepal captured their strategic change management efforts to support localization in a winning entry to the CLA case competition, "[The Power of Empathy: Unlocked Through CLA.](#)"

Locally Led Humanitarian Assistance Policy, is also undertaking time-bound actions to identify concrete steps to advance locally led humanitarian assistance across the diverse and dynamic contexts in which USAID operates.

Lowering barriers for local partners

Implementation of the 2023 [Acquisition and Assistance Strategy](#)—which outlines the shifts needed for USAID’s business practices to better enable sustainable, inclusive, and locally led development—continued in FY 2024, as documented in the [2024 A&A Strategy Implementation Plan Update](#). Efforts include creating and continually expanding USAID’s [Translation Program](#), which provides Missions and other OUs access to on-demand translation services in nine languages (expanding to 18 next year) for documents associated with the award-making process, including translating documents needed to complete SAM.gov registration, a frequent pain point for many local partners. Additionally, the New Partnerships Initiative (NPI) established a new global mechanism, the Linguistic Services Blanket Purchase Agreement, led by US small businesses, to provide translation and interpretation in 120 languages, with an emphasis on local and Indigenous languages. USAID also continued to expand the [WorkwithUSAID.gov](#) platform, which provides information about partnering with USAID, directories to help facilitate contacts and networks among current and prospective USAID partners, and a consolidated feed of all USAID funding opportunities. In FY 2024, USAID fully translated WorkwithUSAID.gov into French, Spanish, and Arabic.

Over the last two years, USAID cooperated with the Office of Management and Budget (OMB) and other agencies to advocate for flexibilities that support new and local partners in the 2024 updates to the regulations that govern federal assistance awards. These updates clarify and simplify requirements for federal assistance, reduce burdens on staff and partners, and provide permissions, tools, and flexibilities that [support USAID’s localization efforts](#). One of the changes includes an increase in the “de minimis” indirect cost recovery rate, which allows new or smaller local (and other) USAID partners to achieve more reasonable, sustainable, and realistic cost recovery when implementing USAID assistance awards. USAID was one of few agencies to begin [implementing these changes](#) before the October 1 deadline, so that recipients (and their sub-awardees) could benefit from the changes as soon as possible.

USAID also continued to help staff develop effective and lower burden partnerships with local actors. In FY 2024, USAID started using the [revised pre award survey for non-US partners](#), which is more flexible and tailorable than the previous version, and shifts from a pass/fail approach to a risk mitigation approach. USAID also released new tools and guidance over the past year, including updated guidance on using oral presentations as part of a phased application process. New guidance on designing and managing fixed amount awards supports the effective use of these award types which pay on the basis of completed milestones and have lower financial and administrative reporting and compliance requirements. USAID also took new steps to socialize [renewal award approaches](#), which provide an option to renew the award, with possible adjustments, based on a review of performance.

In addition to reducing burdens with its A&A processes, USAID also expanded the use of [Innovation Incentive Awards](#). These pay-for-results awards provide unrestricted funds (up to \$500,000) to individuals, organizations, businesses, or other entities that demonstrate the achievement of specified results. Last year (FY 2023), 90 percent of all Innovation Incentive Awards went to local actors, up from 30 percent in FY 2017 when they were first authorized. In FY 2024, USAID made Innovation Incentive awards worth over \$1.3 million to local actors with more in the planning stages.¹²

Supporting staff to elevate local leadership in USAID programs

USAID's New Partnerships Initiative (NPI) continued to provide support to Missions to partner responsibly and equitably with local organizations to center local priorities, empower local subawardees in decision-making, respond to local feedback, and strengthen local capacity. In FY 2024, NPI supported 47 active awards that collectively obligated over \$126 million to advance locally led partnerships. The Local Works program, in 46 Missions in FY 2024, also strengthens staff capacity and experience with development approaches that are more flexible, locally responsive, and locally sustainable.

Through its Advanced Activity Design course launched in late 2022, USAID continued to train staff on systems thinking and human-centered design with a focus on engaging a diverse set of stakeholders through participatory and collaborative approaches. The skills taught in this course are foundational concepts for elevating local voices and decision making in programming.

To support locally led peacebuilding, USAID Missions tested new tools to strengthen their understanding of local systems and contexts and to empower local partners to make better programming decisions in highly complex, conflict-prone environments. For example, the Conflict Prevention and Stabilization Bureau and USAID Honduras created a model Conflict Sensitivity Integration Hub. Using hyper-localized Peace and Conflict Assessments, the Hub guided Mission Staff and local partners to adapt their interventions in response to real-time access to information, including on local perspectives.

Peer exchange and learning has been another important way to advance USAID's collective localization knowledge and experience. USAID's active internal Localization Community of Practice continued to offer ongoing opportunities for informal peer learning and sharing among its 1000+ members. Regional and thematic localization workshops held last year allowed staff to share experiences, ideas, and lessons learned and create peer support networks. Additionally, the tenth annual Collaborating, Learning, and Adapting (CLA) Case Competition [showcased winners](#) with real-life examples of CLA approaches in action, which have significantly contributed to staff's understanding of localization challenges.

¹² Since Innovation Incentive Awards are done outside of A&A or G2G processes, these figures are not captured the Direct Local Funding data presented in this report.

Staffing and incentives to support localization

It takes more staff time to work in locally led ways: to listen, to co-create, to translate documents, to expand communications channels, and to guide prospective and current local partners who are new to working with USAID. In FY 2024, USAID launched its [A&A Accelerate](#) effort, which aims to rebuild the A&A workforce, increase Mission capacity, enhance surge capacity, and expand professional development in support of localization and the Agency's broader objectives.

In FY 2024, USAID also continued to implement its commitments to [Foreign Service National \(FSN\) Empowerment](#) centered on professional development, leadership, and career pathways for USAID's FSNs, who comprise most of the Agency's overseas workforce. FSNs are central to advancing locally led development through their in-country connections, language capabilities, professional skills, and the continuity they provide at Missions. Multiple FY 2024 fellowship opportunities brought numerous FSNs to Washington to help shape elements of the localization reform effort.

FY 2024 was also the first year that USAID Foreign Service Skills Framework included a new measure focused on how they elevate local leadership in program design, implementation, and monitoring and evaluation, and how they broaden and diversify partnerships, including with local actors.

Championing and partnering for locally led development internationally

USAID was pleased to see support for the [Donor Statement on Supporting Locally Led Development](#) continue to grow in FY 2024. Currently, 21 bilateral donors and 26 global philanthropic funders have committed to shift and share power with local actors, channel high-quality funding to local actors as directly as possible, and advocate for locally led development.

In FY 2024, USAID entered into formal partnerships with the Conrad N. Hilton Foundation and the Skoll Foundation to collaborate to advance locally led development in areas of shared interest. The Agency also continued its ongoing partnerships with the William and Flora Hewlett Foundation and Humanity United, which seek to advance, respectively, local evidence ecosystems and locally led peacebuilding.

USAID also served on the sounding board for the Organisation for Economic Co-operation and Development Development Assistance Committee's (OECD DAC) new locally led development workstream. USAID welcomed the DAC's first report, [Pathways Towards Effective Locally Led Development Co-operation](#), which helps donors share knowledge and practices and move toward common standards.

CONCLUSION

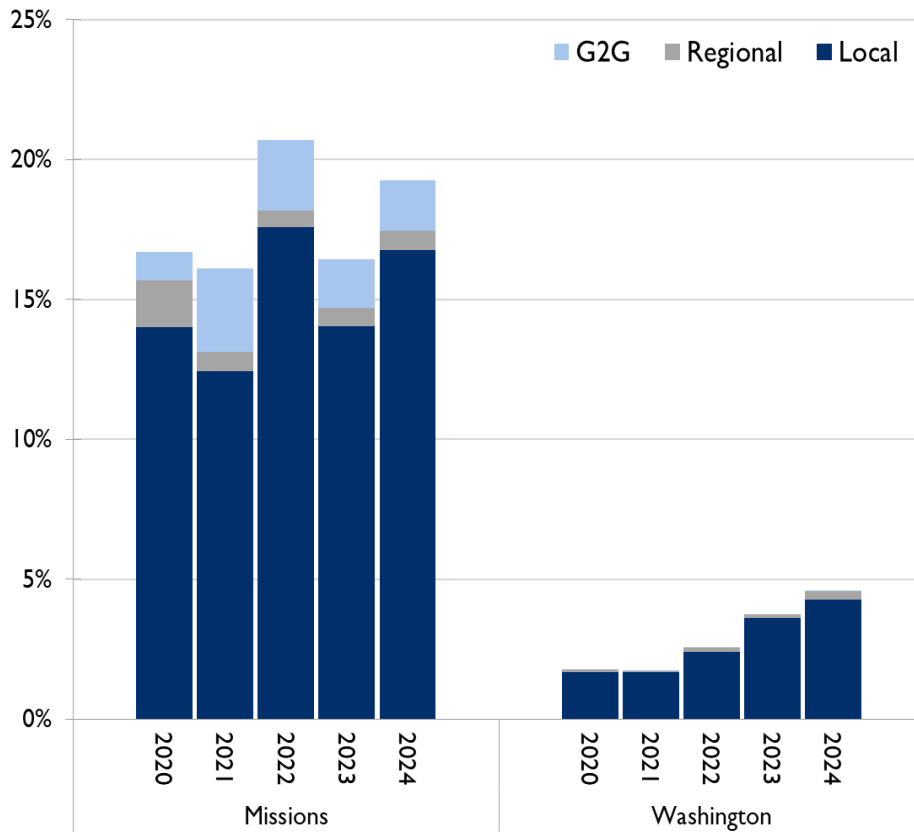
USAID's recent localization efforts have reflected and built upon many years of successes and lessons learned on how to enable local leadership, strengthen local systems, and bring about organizational change. USAID's localization efforts have also been guided and strengthened by feedback from local partners and the advice of Global South-based leaders and advocates that encourage USAID—and the aid system more broadly—to be more inclusive and respectful of local voices, ideas, and capabilities.

These are critical lessons for USAID. Lasting change only comes by working with and through local actors and systems. Shifting USAID's culture, systems, and processes takes time, and there is more work to be done. However, there is strong momentum around localization, providing a base for USAID to continue to learn, evolve, and advance in pursuit of more locally led and sustainable results.

ANNEXES

Annex I: Direct Local, Regional, and G2G Funding by Region and Sector

Figure 10: Direct Local, Regional and G2G Funding by Mission vs. Washington (percent)



Note: Of the total FY 2024 A&A+G2G obligations captured by this indicator, Missions obligated 55 percent and Washington obligated 45 percent.

Figure 11: Missions' Direct Local, Regional and G2G Funding by region (percent)

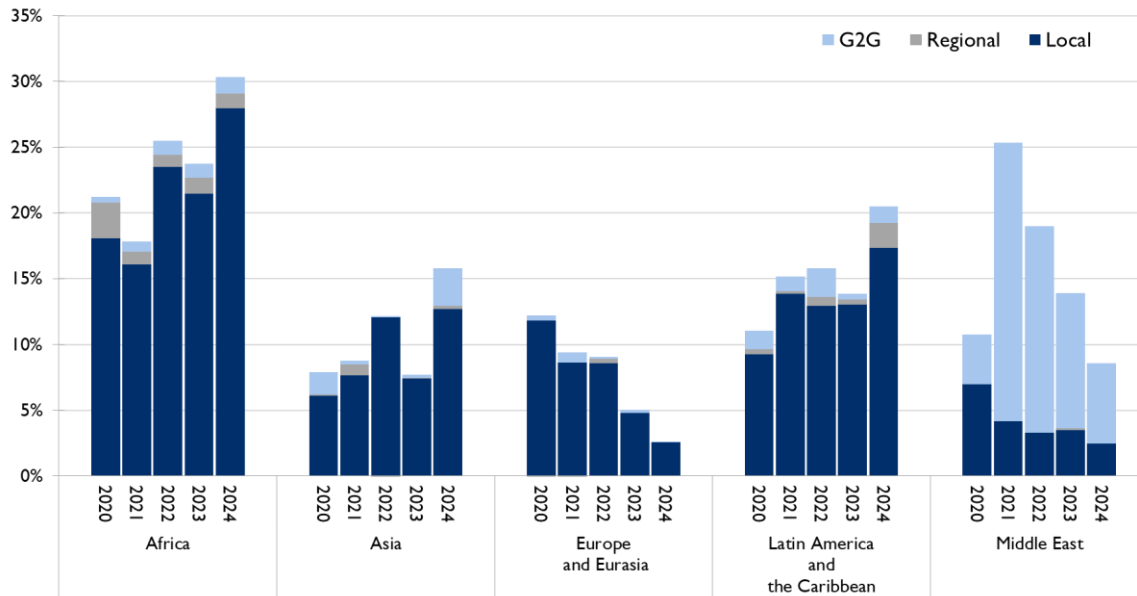


Figure 12: Missions' Direct Local, Regional and G2G Funding by region (dollar value)

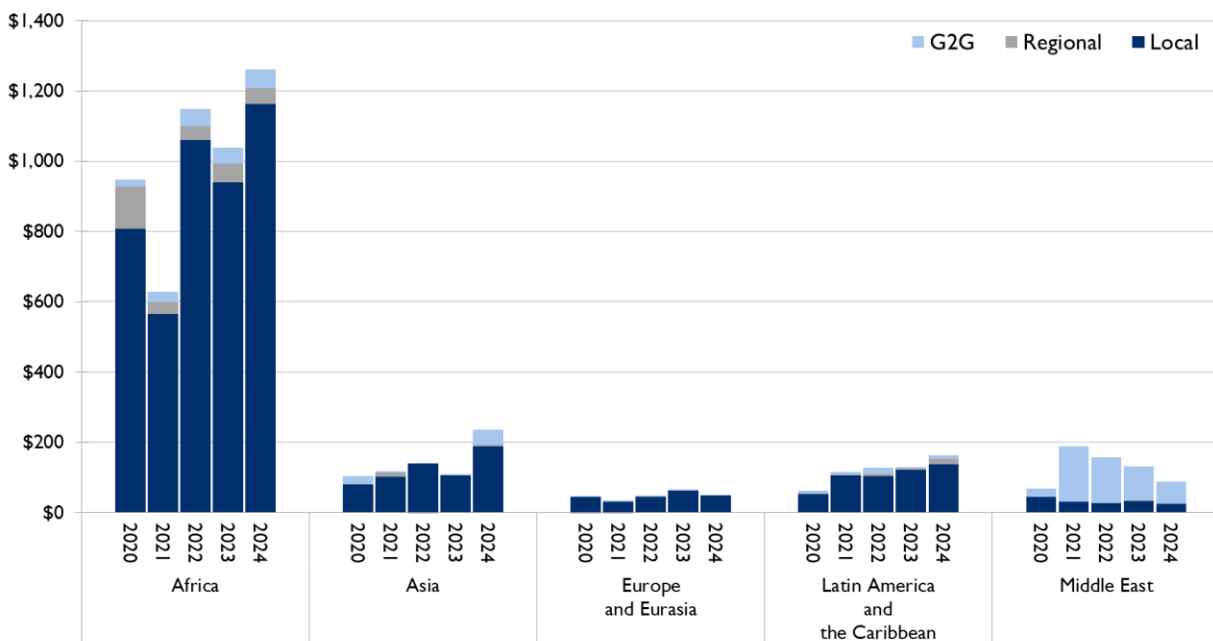


Figure 13: Direct Local, Regional, and Government Funding by sector (percent)

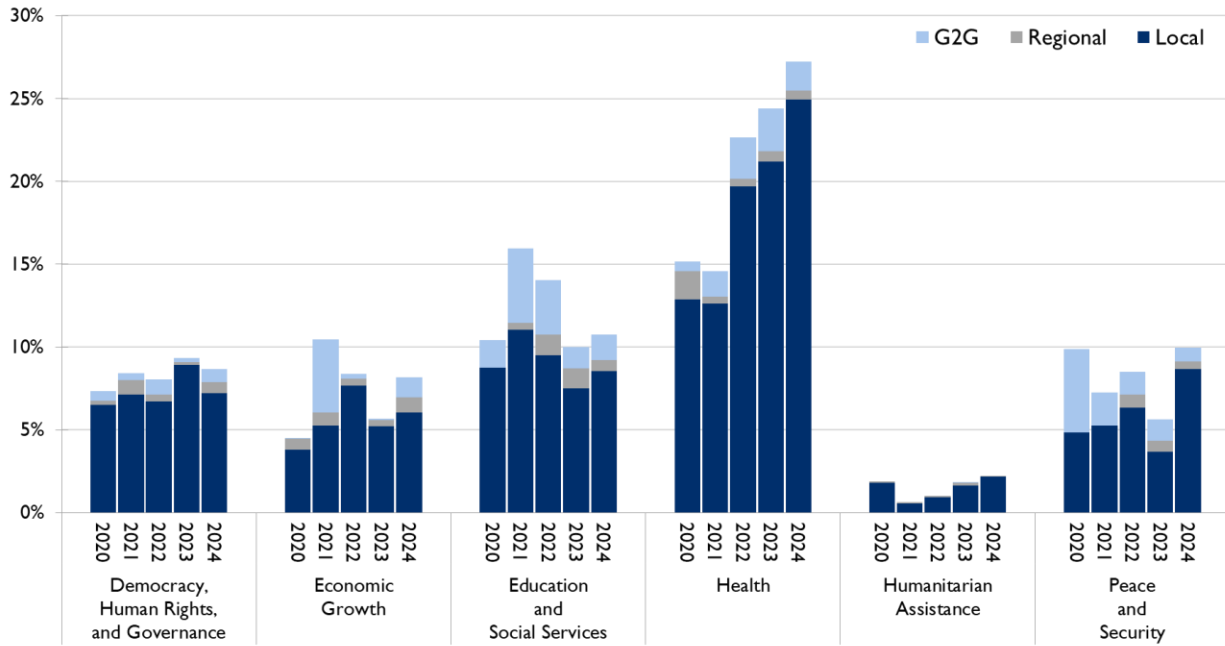
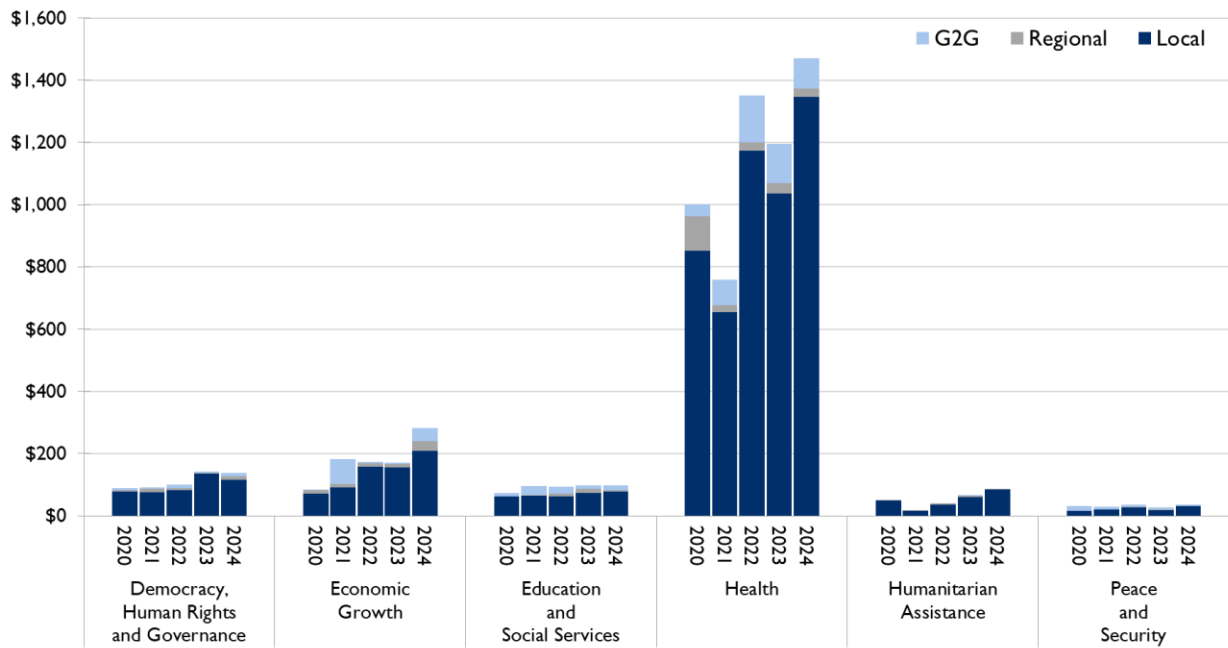
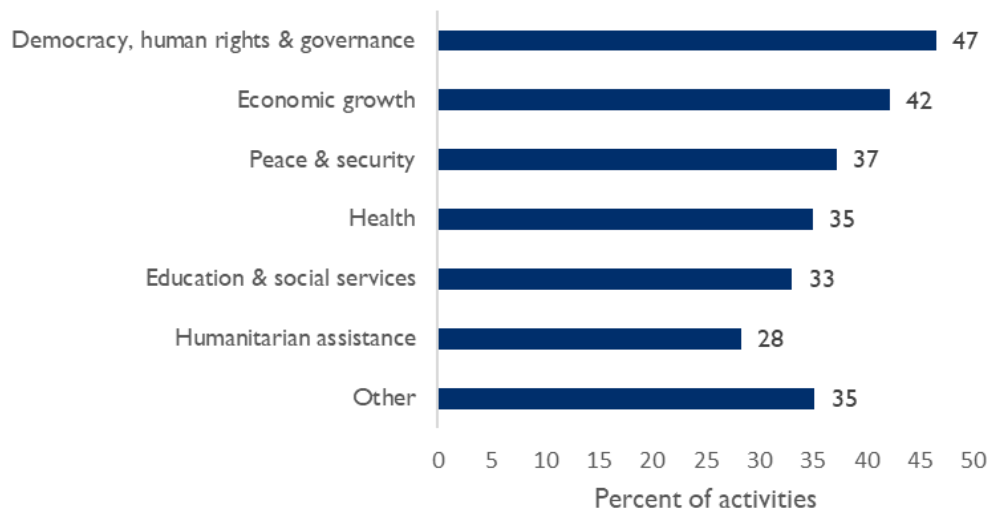


Figure 14: Direct Local, Regional and G2G Funding by sector (dollar value)



Annex II: Locally Led Programs Data by Sector

Figure 15: Percent of activities meeting the Locally Led Programs criteria by sector



Notes:

Some activities include more than one sector, so individual activities can be represented more than once in these figures.

Fewer than a third of humanitarian assistance programs, which made up around a third of reported activities, meet the indicator criteria of utilizing at least one good practice across all three phases of the project lifecycle. This outcome reflects, in part, the different approach to design often taken in the humanitarian sector, where, due to the rapid response time needed for many humanitarian assistance activities, the vast majority of awards are issued in response to unsolicited concept notes.

Annex III: Mission-level Data on Direct Local Funding, Direct Regional Funding, G2G Funding, and Locally Led Programs¹³

Africa				
Operating Unit	Direct Local/Regional/Government Funding <i>(Direct Local + Direct Regional + G2G)/(Total + G2G)</i>			Locally Led Programs <i>(≥1 good practice in each category)</i>
	FY2022	FY2023	FY2024	FY2024
ANGOLA	14.9%	6.7%	0.4%	40%
BENIN	27.0%	11.4%	19.9%	46%
BOTSWANA	56.6%	60.3%	44.8%	33%
BURKINA FASO	0.5%	0.4%	2.3%	6%
BURUNDI	14.6%	21.7%	15.6%	81%
CAMEROON	2.0%	26.5%	53.3%	13%
CENTRAL AFRICA REGIONAL	55.8%	36.0%	31.8%	0%
CENTRAL AFRICAN REPUBLIC	4.9%	1.1%	53.0%	0%
COTE D'IVOIRE	4.8%	5.4%	11.3%	29%

¹³ Asterisks (*) denote that the OU is a full Mission, as defined in ADS 102, Agency Organization. Other types of overseas OUs include Independent Offices (also known as Country Offices) with Senior Development Advisors. This table excludes OUs that have total annual obligations under \$5 million in both FY 2023 and FY 2024 and have no Direct Local Funding.

Dashes (“—”) denote that no Locally Led Programs indicator data is available for this Mission or OU.

Some awards to local partners that are managed by Missions do not appear in the Mission’s Direct Local Funding data since the funding for those awards flows through Washington. Funding for some Local Works awards are a primary example of this. The amounts are often small; however, Missions whose FY 2024 Direct Local Funding would increase if these Local Works funds were taken into account are (percentage point increases noted): Ecuador (+0.5), El Salvador (+2.3), Ethiopia (+0.1), Kenya (+0.5), Malawi (+0.2), South Africa (+0.2), and Uganda (+0.8).

Year-on-year changes in the percent of Direct Local Funding can reflect changes in the level of obligations to local partners (the numerator) or changes to the overall level of obligations (the denominator). In some cases, the timing of when particular awards to local organizations are made and when those funds are obligated can drive big year-on-year changes.

Negative percentages in this table reflect net negative obligations due to de-obligations. De-obligations occur when an OU cancels or downward adjusts previously incurred obligations, often from previous fiscal years.

DEMOCRATIC REPUBLIC OF THE CONGO*	1.8%	3.6%	11.8%	3%
DJIBOUTI	0.0%	0.0%	0.0%	80%
EAST AFRICA REGIONAL*	45.0%	20.9%	27.6%	70%
ESWATINI	33.6%	41.7%	54.0%	50%
ETHIOPIA*	13.5%	15.3%	9.5%	23%
GHANA*	4.4%	3.3%	8.6%	89%
GUINEA*	-0.1%	1.0%	0.5%	—
KENYA*	48.8%	51.3%	42.4%	<i>Reported with East Africa Regional</i>
LESOTHO	44.8%	47.7%	42.0%	50%
LIBERIA*	17.4%	10.9%	4.9%	—
MADAGASCAR*	3.5%	4.1%	6.6%	8%
MALAWI*	30.4%	33.2%	48.7%	44%
MALI*	0.5%	0.0%	1.8%	65%
MOZAMBIQUE*	24.5%	24.2%	40.7%	39%
NAMIBIA	50.5%	73.5%	69.2%	53%
NIGER*	0.0%	0.0%	0.1%	—
NIGERIA*	20.1%	21.7%	39.6%	51%
RWANDA*	25.0%	15.8%	15.3%	25%
SAHEL REGIONAL*	0.5%	0.0%	1.2%	0%
SENEGAL*	11.3%	9.6%	8.9%	47%
SIERRA LEONE	0.1%	11.2%	2.0%	—
SOMALIA*	0.2%	4.8%	0.1%	—

SOUTH AFRICA*	81.0%	80.6%	70.8%	<i>Reported with Southern Africa Regional</i>
SOUTH SUDAN*	3.6%	4.9%	5.6%	—
SOUTHERN AFRICA REGIONAL*	14.1%	13.2%	1.8%	64%
SUDAN*	0.0%	0.0%	2.6%	—
TANZANIA*	19.4%	25.4%	38.6%	18%
TOGO	5.0%	3.2%	6.4%	—
UGANDA*	27.9%	31.6%	45.3%	83%
WEST AFRICA REGIONAL*	16.3%	7.3%	16.9%	48%
ZAMBIA*	21.0%	29.4%	28.1%	37%
ZIMBABWE*	55.7%	57.0%	81.4%	10%
Africa Total	25.5%	23.7%	30.3%	40%

Asia				
	Direct Local/Regional/Government Funding <i>(Direct Local + Direct Regional + G2G)/(Total + G2G)</i>			Locally Led Programs <i>(≥1 good practice in each category)</i>
Operating Unit	FY2022	FY2023	FY2024	FY2024
AFGHANISTAN* (remote)	0.5%	7.9%	6.6%	—
ASIA REGIONAL*	0.0%	1.0%	0.3%	7%
BANGLADESH*	18.0%	9.5%	33.4%	15%
BURMA*	5.8%	2.2%	0.5%	27%

CAMBODIA*	5.4%	4.1%	14.2%	46%
CENTRAL ASIA REGIONAL*	0.1%	0.3%	0.3%	22%
INDIA*	26.1%	26.7%	26.1%	48%
INDONESIA*	15.9%	8.4%	15.8%	39%
KAZAKHSTAN*	2.0%	21.7%	-0.2%	25%
KYRGYZSTAN*	5.4%	7.5%	4.8%	35%
LAOS	0.8%	0.6%	0.2%	15%
MONGOLIA	46.8%	0.0%	45.5%	75%
NEPAL*	2.3%	4.4%	24.4%	40%
PACIFIC REGION*	0.0%	0.6%	12.9%	45%
PAKISTAN	26.8%	7.6%	39.7%	70%
PAPUA NEW GUINEA	0.0%	0.0%	0.0%	100%
PHILIPPINES*	6.7%	1.6%	17.4%	45%
SRI LANKA*	10.3%	2.0%	2.9%	21%
TAJIKISTAN*	3.3%	0.0%	0.5%	19%
THAILAND*	0.0%	1.5%	0.9%	<i>Reported with Asia Regional</i>
TIMOR-LESTE*	3.6%	2.2%	2.5%	25%
TURKMENISTAN	2.4%	0.3%	0.3%	50%
UZBEKISTAN*	0.0%	0.0%	0.2%	5%
VIETNAM*	32.3%	21.9%	16.1%	60%
Asia Total	12.0%	7.7%	15.9%	38%

Europe and Eurasia				
Operating Unit	Direct Local/Regional/Government Funding <i>(Direct Local + Direct Regional + G2G)/(Total + G2G)</i>			Locally Led Programs <i>(≥1 good practice in each category)</i>
	FY2022	FY2023	FY2024	FY2024
ALBANIA	5.0%	0.1%	0.1%	25%
ARMENIA*	17.6%	46.3%	21.8%	40%
AZERBAIJAN*	-0.2%	4.0%	-1.0%	25%
BELARUS	0.0%	0.0%	0.0%	0%
BOSNIA AND HERZEGOVINA*	32.0%	14.6%	10.6%	100%
GEORGIA*	11.8%	1.7%	5.2%	39%
KOSOVO*	12.6%	0.2%	9.0%	36%
MOLDOVA*	5.1%	1.6%	1.7%	3%
NORTH MACEDONIA	42.0%	9.2%	10.6%	48%
SERBIA*	20.4%	29.4%	28.1%	94%
UKRAINE*	3.8%	2.8%	1.4%	40%
Europe and Eurasia Total	9.1%	5.0%	2.6%	43%

Latin America and the Caribbean				
Operating Unit	Direct Local/Regional/Government Funding <i>(Direct Local + Direct Regional + G2G)/(Total + G2G)</i>			Locally Led Programs <i>(≥1 good practice in each category)</i>
	FY2022	FY2023	FY2024	FY2024
BRAZIL	28.6%	91.1%	99.0%	100%
CARIBBEAN DEVELOPMENT PROGRAM	0.0%	1.3%	0.0%	—
CENTRAL AMERICA REGIONAL	0.0%	0.0%	0.0%	47%
COLOMBIA*	3.9%	2.7%	4.8%	39%
CUBA (remote)	0.0%	0.0%	0.0%	0%
DOMINICAN REPUBLIC*	25.7%	27.4%	5.0%	64%
EASTERN AND SOUTHERN CARIBBEAN*	7.6%	11.3%	6.1%	16%
ECUADOR*	7.5%	37.5%	33.7%	57%
EL SALVADOR*	13.9%	30.2%	26.4%	47%
GUATEMALA*	25.0%	19.9%	34.0%	23%
HAITI*	22.5%	10.1%	18.7%	7%
HONDURAS*	16.1%	14.6%	23.6%	21%
JAMAICA	33.0%	31.5%	23.7%	24%
MEXICO*	11.2%	3.2%	1.6%	55%
PARAGUAY	78.9%	85.3%	87.2%	95%
PERU*	24.8%	27.5%	32.2%	53%
SOUTH AMERICA REGIONAL	15.6%	37.0%	1.7%	33%
VENEZUELA (remote)	0.0%	0.0%	0.0%	—

Latin America and the Caribbean Total	15.8%	13.9%	20.5%	37%
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Middle East				
	Direct Local/Regional/Government Funding <i>(Direct Local + Direct Regional + G2G)/(Total + G2G)</i>			Locally Led Programs <i>(≥1 good practice in each category)</i>
Operating Unit	FY2022	FY2023	FY2024	FY2024
EGYPT*	7.4%	4.1%	0.5%	51%
IRAQ*	2.8%	0.4%	2.2%	19%
JORDAN*	47.8%	42.4%	20.3%	88%
LEBANON*	1.1%	7.9%	7.1%	75%
LIBYA	0.0%	0.0%	0.0%	13%
MOROCCO*¹⁴	16.0%	38.6%	2.6%	87%
SYRIA	0.0%	0.1%	0.1%	9%
TUNISIA*	0.0%	0.0%	0.0%	33%
WEST BANK/GAZA*	0.0%	-0.3%	4.7%	17%
YEMEN	0.0%	4.6%	0.0%	0%
Middle East Total	19.0%	13.9%	8.7%	46%

¹⁴ USAID/Morocco had committed over \$7 million to a local partner before the end of FY 2024, but the obligations were not recorded in GLAAS before the end of the Fiscal Year. Had the funding been included in FY 2024, Morocco's direct local funding would have been 41 percent. Instead, these obligations will be reflected in FY 2025 data.