

Local Impact

Local Impact:
A Transformative Partnership
in Asia and Africa



Local Impact

Local Impact was created as a joint initiative of the Aga Khan Foundation (AKF) and the United States Agency for International Development (USAID) as an innovative framework for meaningful, sustained impact across Asia and Africa that puts local communities at the center of development.

Through Local Impact, AKF and USAID will work with marginalized and vulnerable communities to:



OBJECTIVE 1

Catalyze inclusive economic growth and ensure basic livelihoods



OBJECTIVE 2

Enhance infrastructure and access to basic services with a focus on clean energy



OBJECTIVE 3

Enhance the capacity of citizens and local institutions



OBJECTIVE 4

Promote pluralism and social cohesion

What is Local Impact?

Local Impact is a \$150m multi-year, multi-sector, and multi-country global partnership between AKF and USAID. It is a five-year Leader with Associates (LWA) cooperative agreement that allows USAID to work with AKF and its partners to design and implement projects that address development challenges across sectors. Drawing on human-centered design tools and processes, Local Impact is sparking new, innovative solutions to complex problems while tapping into existing productive efforts to address these issues at the grassroots level.

Why Local Impact?

Local Impact offers USAID Missions and operating units a flexible, worldwide platform for designing and implementing activities that advance their development objectives. Local Impact offers several significant advantages to USAID:

- **Leveraging Funding:** AKF will provide 50% leverage (a 2:1 ratio - 2 from USAID and 1 from AKDN) at minimum, significantly increasing the investment and impact of the program. AKF has worked with USAID to redefine leverage.
- **Global Impact:** Through the Leader Award, the impact, lessons, and knowledge gained through the joint investment will be captured, communicated and shared globally.
- **Proven models of success:** Under the award several initiatives have been tested and iterated including, Human Centered Design for Development, Coalition of Employers, Youth Entrepreneurship, Employment Skills Training, and more.
- **Efficient funding mechanism:** As a pre-competed mechanism, Local Impact allows for quick and efficient procurement processes, including in sensitive operating environments.
- **Focus on flexibility and adaption:** Local Impact prioritizes flexible, adaptive, and politically smart approaches to achieving results, including in closed or closing spaces.
- **Support for co-creation and participatory design:** Local Impact partners with USAID and local partners to co-create design, interventions, and approaches at the pre- and post-award stage.

How do I move forward?

Within the USAID Mission, Office or Bureau, the team should both identify the technical area of interest as well as the source of funding. Once these are identified, AKF can work with USAID staff to create or co-create a concept note with the ultimate goal of signing a partnership agreement via an Associate Award. The USAID AOR and AAOR and AKF Global Lead can support in this process.

The Aga Khan Foundation

Established in 1967, the Aga Khan Foundation (AKF) brings together human, financial and technical resources to address the challenges faced by the poorest and most marginalized communities in the world. Special emphasis is placed on investing in human potential, expanding opportunity and improving the overall quality of life.



LEADER AWARD

- Tested approaches to the strategic objectives noted above that can be adapted and scaled;
- Support to fast-track implementation;
- Global and regional teams in place to support start-up.



ASSOCIATE AWARDS

- Substantially leverage US taxpayer dollars with AKF's 50%+ leverage contribution;
- Demonstrate commitment to private sector engagement and locally-led development, supporting a pathway on the journey to self-reliance;
- Work with a trusted partner on an innovative, cost-effective framework to achieve meaningful and sustained impact.
- Associate Award buy-ins can go up to \$75m in USAID funding and will be matched with 50% in leverage from AKF.

LOCAL IMPACT DIRECTLY SUPPORTS USAID'S LOCALIZATION AGENDA:

Accessible - Creates a clear path to allow people from more diverse backgrounds and partners of all kinds to participate in development.

Equitable - Focuses on the voices and needs of the most marginalized, making aid more equitable.

Responsive - Through local problem identification and solution development, feedback loops, human centered design, Local Impact is able respond to local needs.

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If we truly want to make aid inclusive, local voices need to be at the center of everything we do. We've got to tap into the knowledge of local communities and their lived experiences.

USAID Administrator, Samantha Power



AGA KHAN FOUNDATION



USAID
FROM THE AMERICAN PEOPLE

USAID Offices and Missions can execute Associate Awards without additional competition through October 2024. Awards can go up to five years beyond the signature date. For more information, please contact:

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