

# LOCAL WORKS MISSION PROFILE

## USAID/MOROCCO'S LOCALLY LED DEVELOPMENT STORY



PHOTOS: USAID/MOROCCO

**USAID/Morocco is at the forefront of locally led development** within the Agency, finding ways to succeed with a limited budget in a diverse and complex development context. In 2015, it became one of the first Missions involved in the [Local Works Program](#), a USAID initiative that provides funds to Missions to pursue locally owned programming and innovative operational approaches. This brief provides a summary of USAID/Morocco's experiences to date with locally led development, lessons learned, and recommendations based on its experience.

*Particularly in the early stages, USAID/Morocco faced a variety of challenges in applying a locally led development approach. While some of these remain, the Mission, in collaboration with local partners, developed unique approaches to resolving these issues and overcoming barriers to progress.*

### DEVELOPMENT CONTEXT

Historically, most Moroccan civil society organizations (CSOs) have lacked the ability to enact systemic change and function as a broker between citizens and the government. Only with the adoption of the new Constitution following popular protests in 2011 was the legal space for civil society enlarged, expanding the rights and the role of civil society in policymaking and the public sphere.

A central aim of [USAID/Morocco's Local Works Program](#) is to increase the ability of five key CSOs to become intermediary support organizations (ISOs) for their extensive network of around 1,000 local organizations. The ISOs serve as capacity development "go-to" centers, strengthening the ability of their entire network to advocate for change, listen to their constituents, mobilize resources, and have a collective impact.

The Mission also decided to apply locally led approaches to its investments in democracy and governance, including its existing [Civil Society Strengthening Program](#) (CSSP), which ran from 2015-2019. Through CSSP, USAID supported over 200 Moroccan CSOs, including the five Local Works partner ISOs, in their policy advocacy efforts through tailored technical assistance, forming effective coalitions, and developing sound policy recommendations.

Through the Local Works Program and related efforts, USAID is supporting Morocco on its journey to self-reliance by working with all levels of government and civil society to increase civic participation and enable a more inclusive and effective government that is representative of all of Morocco's citizens.

### LOCALLY LED DEVELOPMENT

*"Local actors are empowered in decision-making throughout priority-setting, design, management, measurement, and other processes through which development assistance contributes toward improving systems and outcomes for development."*

- USAID 2019

## CHALLENGES

Although USAID/Morocco had previous experience successfully managing grants to local organizations, initial challenges for the Local Works Program and CSSP included:

### **Limited capacity of local partner organizations.**

Many CSOs lacked a strategic organizational vision and plan, and most had not yet developed professional operations and practices. Many experienced turnover among staff whose capacity was already low.

**Challenges meeting USG standards and administrative requirements.** Partner CSOs struggled to effectively implement and meet USAID expectations and comply with USAID agreement standards.

**Balancing accountability to USAID Washington with the need for flexibility.** Some rules and requirements from Washington were a barrier to adapting to local organizations' capacities and needs. These included some Automated Directives System (ADS) policies and procedures, and the specific structures and reporting requirements of deliverables such as Monitoring, Evaluation, and Learning plans, and branding and marketing plans. Payment methods (e.g., for monthly advances and liquidations) were also burdensome for many CSOs given their very limited human resources, and some ISO staff struggled to help their partner organizations identify and describe difficult-to-capture successes.

One USAID/Morocco staff noted that many local CSOs do great work, but their processes and operations might not be documented in a way that meets USAID's specific requirements:

*“It’s like a painter who does beautiful work, but doesn’t know how to sell his work.”*

**A legal and fiscal environment that is not conducive to the growth of CSOs.** In general, the legislation governing CSOs in Morocco creates limitations on their operations. The legal environment leaves open to interpretation many important issues, such as: rules regarding creation of CSOs, entering into contracts and other transactions, and how CSOs should



manage their internal affairs. In addition, the tax system treats CSOs as if they were private companies, which is a considerable impediment as CSOs are not exempt from paying value added tax and income tax.

**Limited access to financing.** Funding was and remains a major problem that impedes the development of CSOs in Morocco, limiting their capacity to sustain their activities. Most CSOs struggle to establish reliable sources of funding for their own initiatives, especially for advocacy or social mobilization efforts.

**Challenges with traditional capacity strengthening methods.** In the first couple of years the Local Works Program and CSSP had mixed results from trainings focused on improving organizational processes (e.g., administration, finance, strategic planning) and building skills needed for advocacy, communications and outreach, fundraising, networking, etc. A key challenge was the fact that staff from different local organizations came with varying levels of experience and skills. Additionally, when training required travel to another city, CSO board members or presidents typically attended, but often would not convey what they learned to other staff upon their return. More broadly, the training, management, and reporting requirements drained the CSOs' already limited human resources.

**Conflict/tensions among organizations.** The five ISOs are diverse and represent a wide range of political interests. Some of the organizations' staff were initially unhappy about meeting with representatives from other organizations who they viewed as competitors or who held different ideological views.

## ADVANCING LOCALLY LED DEVELOPMENT: THE APPROACH

Despite these challenges, USAID/Morocco was committed to locally led development, to the Local Works principles, and to the goals of the CSSP activity. Building on the experience, knowledge, and vision of its staff and partners, the Mission took a practical, problem-solving approach to management and implementation. Some of the principal elements behind the Mission's success have included:

**Creating feedback loops.** The Mission took a variety of steps to improve learning and communication with its local partners. The team **prioritized relationship-building**, particularly with first-time, direct local grantees. This helped to promote trust and increase the flow of information. Staff developed a highly collaborative, horizontal dynamic with the local partners overall; they now have access to information about the local organizations' challenges and daily activities in a way that would have been unimaginable in the past.

In addition, **foreign service national (FSN) staff were empowered** to shape and lead processes. FSN staff directly manage relationships with the five ISOs and both formally and informally facilitate better communication. At USAID/Morocco, many of the FSNs engaged in locally led development have decades of experience with both USAID and civil society, and

a deep understanding of the sector and the complex local dynamics involved. Over the past several years, they have worked as "translators" to explain USAID requirements to local CSOs, as well as the realities of local organizations to other USAID staff. In other instances, they have found ways to give "credit" for good work carried out by local organizations that did not fit into their results framework.

**Applying flexible, adaptive management.** USAID/Morocco and the five ISOs also thought creatively about how to improve the capacity of each of the organizations, identifying **flexible solutions** to meet joint goals. For example, if a change in a CSO's budget was needed to pursue an important activity, USAID staff helped them articulate this in their results framework. USAID staff also accepted reports in French and Arabic, and translation was provided at events.

*"We've had to adjust. Can we really expect local organizations to work with us in English? For instance, the implementing partners' meeting was always in English. We never had to do translation in the past. Now we have translators."*

- USAID/Morocco staff

### CREATIVE CAPACITY STRENGTHENING

The Mission and CSSP staff learned in the first two years of implementation that bringing people together in a room was not sufficient; more hands-on capacity building with the CSOs was needed. Instead of bringing staff from many organizations to one place, CSSP sent a capacity development coach to several of the organizations to work with all staff over several days on key skills such as financial management, strategic planning, M&E, advocacy, resource mobilization, and reporting. The program also supported multiple days of one-on-one training sessions to ensure content was appropriate for different levels of experience. In addition, the Mission uses the mandatory USAID pre-award assessment for potential new CSO partners; those that score too low on the assessment are linked with one of the five ISOs for ongoing capacity strengthening, creating a pipeline of potential future partners. This tailored approach has been more cost effective and reached more people.



PHOTO: USAID/MOROCCO



Mission staff stress that it is impossible to rush locally led development. **Patience with timelines** allowed the local partners to grow and become familiar with USAID and its processes.

Slow progress was often a consequence of limited capacity and internal challenges. For instance, all five ISOs experienced high turnover as staff left for higher-paying jobs. The Mission learned to embrace small improvements.

### **Leveraging USAID's unique role as a convener.**

One way the Mission addressed the challenge of competition among organizations and tensions between some staff was by bringing together representatives of the various CSOs to get to know each other, plan activities, and work toward common goals.

As a well-respected donor in the country, USAID was able to convene diverse CSO actors and help navigate complex dynamics that impeded the flow of information, coordination, and sharing. The Mission embraced this role, facilitating win-win solutions and managing conflict within and among local organizations to transform competition into collaboration.

With their links to nearly 1,000 local organizations, the five ISOs are developing a sustainable model on how organizations in their respective networks are able to reach common advocacy goals.

*“Now [the CSOs] are meeting with the Members of Parliament, Ministers, and political parties. The tactic is very slow and steady. It needs to grow organically.”*

- USAID/Morocco staff

### **Using a mentorship model for developing partnerships among local organizations.**

The Mission was very intentional about this, talking to up-and-coming local CSOs to match them with other local organizations. This mentorship matching model has demonstrated success and there are plans for it to be scaled up. Also, training of trainers is promoted organically through this cascade model.

**Streamlining approaches.** The Mission identified ways to reduce the overall time required for some processes, even if that meant extra investment initially. For example, USAID policy requires that a Non-US Organization Pre-Award Survey (NUPAS) be administered prior to an award to local organizations, to ensure that the organization is capable of managing and being accountable for U.S. taxpayer dollars. In Morocco, the Mission hired an accounting firm to conduct the NUPAS pre-award assessment for the five ISOs. The implementing partner and Mission staff then provided training and mentoring to the ISOs to address the weaknesses identified in the assessment.

## **BUILDING TRUST**

Although at first some CSO staff were not happy about sitting at the same table with peers from other organizations, representatives of the Local Works partners met once a quarter under USAID leadership and slowly grew their relationships. A listening exercise attended by representatives of the five ISOs was particularly effective. It focused on active listening skills and methods, how to integrate listening into all aspects of programming, and using feedback to improve performance and programming.

As one Mission staff said: *“In the first listening exercise they were skeptical of each other. Now they are a bunch of friends, giving advice, joking.”*

Over time, these organizations grew to trust each other and realized what they had in common. They began to advocate together for legislation that would improve the operating environment for civil society – including an NGO law, fiscal status, volunteerism, and public consultation legislation.\* For instance, the CSOs are advocating for an NGO law that would allow the courts to authorize the creation of CSOs rather than the Interior Ministry. Also, the tax system needs to be revised so that CSOs are no longer treated as private companies.

*\*The constitutional amendments of 2011 offered civil society an unprecedented opportunity to participate in formulating, implementing and evaluating policies and legislation and gave substantial support to the right to form civic associations in Morocco. However, important laws that reflect the constitutional promises have not yet been passed and enacted.*

## LESSONS LEARNED

USAID/Morocco's experience provides insights that may be useful for other Missions implementing locally led development:

**Locally led development demands different rules.** A key takeaway from USAID/Morocco's experience is that there is a tension between locally led development and traditional USAID accountability and reporting expectations. Missions often bump up against these traditional standards, which can inhibit the flexibility so essential for success.

**Flexibility is critical.** Supporting local leadership means giving up a great deal of control. USAID/Morocco managed adaptively, working with local organizations to meet their goals, understand their timelines, and gain their trust so that they would share information with the Mission about their experiences, progress, and challenges.

**More realistic timelines are needed.** Timeframes used with traditional international implementing partners are often unrealistic for locally led development. Enacting long-lasting, systemic change with local partners requires more time than a standard activity with a partner already fully versed in USAID practices. The Mission dedicated a great deal of time to capacity building in the field with the local partners, assisting them in meeting basic reporting and compliance requirements. They would wait to begin full project implementation until each organization was ready. As a result, milestones were not met as quickly as planned.

**Investing in local partners leads to more effective programming.** Despite the extra up-front costs in time and energy, the Mission found that investing in local partners resulted in more effective projects. The locally led approach has provided USAID with direct access to local knowledge and networks less common in traditional programming.

### STRENGTHENING LOCAL PARTNERS' OPERATIONAL AND FINANCIAL SYSTEMS

USAID/Morocco invested in strengthening the operational capacity and ability of the five ISOs to meet USAID requirements and effectively manage grants. A key example is the hiring of the accounting firm KPMG to conduct the pre-award assessment (NUPAS) for the ISOs, and implementing partner Counterpart International, along with Mission staff, providing training and mentoring to them in areas identified in the NUPAS as weaknesses.

**Stronger local partners leads to more sustainable outcomes.** Results are more likely to be sustained when Mission staff are given the time and flexibility to (i) strengthen the capacity and performance of local partners, and (ii) increase local partners' knowledge of how to work with USAID. By investing in local organizations, the Mission ensured that expertise and knowledge was institutionalized within these organizations and the know-how was transferred to other NGOs and local development actors. Over the long run, the lower overhead and operating costs of these organizations also contributed to the likelihood of long-term sustainability.

In addition, building capacity of local partners and helping them build larger networks can increase their visibility and generate new opportunities. For example, other donors have already started working with some of the CSOs, and a few have been approached by potential USAID contractors considering upcoming USAID projects that require advanced levels of engagement by local organizations. Several of the CSOs have been invited to join government-led discussions or working groups.



## STRENGTHENING CAPACITY LEADS TO NEW OPPORTUNITIES FOR IMPACT

The five USAID partner ISOs are increasingly better positioned with the Government of Morocco. ALCI, one of the five, was recently selected as a member of the national steering committee for the Open Government Initiative (OGI). In June 2019, the Ministry of Finance invited some of the five ISOs to attend a meeting to discuss ways to improve citizens and civil society inclusion in the budget process. More recently, the president of another of the ISOs - Forum Azahrae - was appointed by the King of Morocco to be a member of the National Council for Human Rights.

In addition, CSOs supported by USAID through the Local Works Program and CSSP activity have achieved some important initial results:

**Finance Bill Amended to Expand Funding Opportunities for CSOs.** As a result of successful advocacy efforts led by USAID and local CSO partners, an amendment to the 2019 Fiscal Bill was recently passed in Parliament, creating a first-of-its kind initiative allowing Moroccan companies to direct a percentage of their gross income to Moroccan CSOs. This development paves the way for greater financial sustainability, independence, and engagement for Moroccan CSOs across the country. The process that led to this change started with a CSO budget drafting workshop organized by CSSP in Rabat in July, 2018, with the participation of the Ministry of Economy and Finance, the Ministry of Relations with Parliament and Civil society, Parliament and six leading CSOs.

**Training Center Established for Moroccan CSOs.** Building on support from USAID, the Moroccan Association for Solidarity and Development (AMSED), one of the five ISOs, established a training center in 2019 for local civil society organizations. The initiative provides fee-based trainings to develop the capacity of Moroccan CSOs to create, fund and manage local development projects to meet the specific needs of organizations operating in the Moroccan civil society context. Training topics include grant management for local NGOs to equip them with the basic tools needed to manage grants from both local and international donors.



PHOTO: PARLIAMENT OF MOROCCO, ANASS SEDRATI, CC BY-SA 4.0, WIKIPEDIA

**There are also positive impacts on large international implementing partners.** U.S. implementing partners are adopting elements of locally led development. For example, FHI360 took the initiative to establish a partnership with one of the five ISOs, the White Dove Association. White Dove works on disability issues, and now integrates more inclusive services in their overall youth employability program. FHI360 also provided locally tailored workforce development trainings to the association, which they will replicate with other members of their network of local organizations.

*Building on the experience strengthening the capacities of five local ISOs, USAID/Morocco is continuing to shift its programming towards an increasingly locally led development approach through the design of its next five-year Country Development Cooperation Strategy (CDCS).*



## RECOMMENDATIONS

Based on its experiences with the Local Works Program, CSSP and related efforts, USAID/Morocco has identified a set of recommendations to strengthen locally led development efforts.

### FOR MISSIONS

- 1. Develop strong, trust-based relationships with local partners** to facilitate adaptive management of complex programming, including between local partner organizations and USAID Activity Managers and Contract/Agreement Officer Representatives (AOR/CORs).
- 2. Work collaboratively with local partner organizations to adaptively manage activities.** A co-creation approach should be used throughout the whole project cycle. As stated in a recent [USAID Discussion Note](#),\* adaptive management is not about changing goals during implementation, it is about changing the path to achieve those goals in response to shifting realities. AORs/CORs should periodically consult with local partners to review/re-validate the theory of change of the activity, check assumptions, and then, if needed, adjust the Monitoring, Evaluation, and Learning and work plans based on new information and lessons learned.
- 3. Build in greater flexibility in awards to local organizations.** This could include:
  - Increasing budget flexibility. This can be done by developing milestones that will help to fund the next milestone, or alternating performance milestones and administrative milestones (i.e., submit a quarterly report). This enables the local organization to have a reasonable cash flow to meet the next milestone.
  - Adding option years into awards or increasing an activity timeline via a follow-on award, as well as building in pause and reflect periods.
- 4. Ensure that leaders appreciate the management burden of implementing locally led development** across the Mission, not just on the team managing the project. Leaders can:
  - Apply approaches/mechanisms that alleviate the management burden and thus incentivize locally led development. For instance, all staff might be involved in a pre-award survey (NUPAS), or a local accounting firm could be hired to administer it and build local organizations' financial and operational capacity prior to them receiving an award and being responsible for tracking the use of U.S. taxpayer dollars.
  - Apply a phased approach. The local organization could receive a small amount of funds at first, which would increase as they demonstrate their performance and financial/operational ability. When providing assistance awards, performance is based on the local organization's intentions, objectives, and long-term strategic vision.
- 5. Be creative in capacity building.** There is no one-size-fits-all approach.
- 6. Write Project Appraisal Documents (PADs) and other planning reports/strategies to allow for flexibility.** In PADs and other planning documents, rather than being overly prescriptive, the text can indicate how decisions will be made and when the PAD will be amended in response to the evolving context. Per USAID policy, stand-alone activities do not need to be included in a PAD and can be documented in a PAD Amendment, which are meant to be quick and easy.

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- 7. Reduce or revise requirements in order to enable/increase adaptability.** Missions need more space to be nimble and flexibly engage with local organizations. They want to be responsive to local organizations' goals and needs, but often feel constrained by the requirements to which they need to respond.
- 8. Streamline procurement processes** to make them more effective, efficient, and adapted to the local context. This may include reducing language barriers during the procurement process, increasing the time for proposal drafting during the solicitation process, using more co-creation methods that encourage involvement of local organizations, or providing more training to local organizations on how to partner with USAID
- 9. Provide for longer, more realistic implementation timelines.**

\* USAID Program Cycle Discussion Note: Adaptive Management. [https://usaidlearninglab.org/sites/default/files/resource/files/dn\\_-\\_adaptive\\_management.pdf](https://usaidlearninglab.org/sites/default/files/resource/files/dn_-_adaptive_management.pdf)

## SOURCES

1. Correspondence with staff from USAID/Morocco Local Works Program, USAID Local Sustainability Office (E3/LS), and CSSP (implemented by Counterpart International).
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