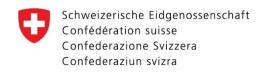
INTERNATIONAL COOPERATION STRATEGY 2025-2028



June 2025

This document aims to clarify the concepts and facilitate the operational translation of one of the five approaches to which particular attention is paid in the International Cooperation Strategy (ICS) 2025-28: locally led action. Similar documents are produced for the other approaches: efficient multilateral engagement, the use of new digital technologies, the valorisation of Swiss know-how and cooperation and partnership with other actors. It is intended for all SDC collaborators, particularly those developing country or thematic strategies as well as those implementing SDC programmes/projects.



LOCALLY LED COOPERATION (LLC)

Background

Locally led cooperation (LLC) has always been a cornerstone of Switzerland's international cooperation. The Swiss Agency for Development and Cooperation (SDC) provides substantial added value in LLC through its focus on local governance, employing participatory approaches that foster context-specific solutions, and committing to long-term partnerships with local actors. Switzerland maintains a strong presence in its priority countries and employs a wide range of flexible instruments, enabling it to partner with different local entities at national and local levels. At international level, Switzerland has made numerous commitments to advance LLC¹. They include:

- Increasing funding to local actors (with a specific target of 25% in Humanitarian Aid).
- Increasing flexible, predictable and core support to local actors.
- Ensuring equitable partnerships and meaningful participation of local actors, including in the selection process of and in contractual provisions with intermediaries.

However, Switzerland has lacked standardised definitions and clear operational objectives for LLC. To date, progress in LLC has largely relied on personal motivation, as it has not been systematically incentivised or monitored across SDC.

To translate LLC into action during the 2025-28 ICS period, SDC has developed a definition, a narrative, and a goal for LLC.²

SDC definitions:

LLC means that local actors shape and lead responses to humanitarian, development and peace challenges.

Local actors originate from and operate in a given country at national and sub-national levels or have a reach across several countries. They include public institutions (a.o. national and local authorities), the private sector, community-led groups as well as civil society organisations.

Goal: SDC applies an LLC approach across the humanitarian, development and peacebuilding (HDP) nexus to: 1) enable effective and sustainable outcomes that strengthen local systems

and civic space while responding to local needs and experiences in an accountable manner and 2) plan interventions that, by default, build on and strengthen capacities of local actors, are driven by local actors and involve international support only when necessary.

Why should SDC invest more in LLC?

It is in the Swiss DNA. Community involvement in decision-making is a fundamental Swiss value and practice. The principle of subsidiarity is deeply ingrained in Switzerland's public and political life, emphasizing that decisions should be made as close to the people as possible. This decentralised, bottom-up approach also guides Switzerland's international cooperation (IC).

It is future-proof. LLC is a strategic response to the diminishing role and decreasing acceptance of external assistance at both national and international levels, as well as to the increasing number of crises worldwide. LLC enables Switzerland to respond to evolving developments, to purposefully pursue Swiss IC priorities, to remain engaged in priority countries and to improve access to people in need. In this sense, LLC is indispensable.

It is impactful. Local actors are embedded in local contexts and systems. They possess essential knowledge of local needs, vulnerabilities and priorities, and are trusted and vital first responders in crisis situations. They often have access where others do not. LLC means complementing the contextual expertise and practice of local actors with the know-how and networks of Swiss and international partners. This enables Switzerland to better tailor its interventions for greater impact.

It is durable. Local actors are less constrained by the traditional HDP silos. They address humanitarian, development and peace challenges and focus on lasting solutions. Partnering with and investing in local actors helps build local ownership, makes international cooperation efforts more effective and sustainable, and is often more cost-efficient – which is particularly important given the decline in IC resources.

¹ Paris Declaration on Aid Effectiveness and Accra Agenda for Action (2005/08); Grand Bargain on humanitarian aid (2016); Joint Donor Statement on Supporting Locally led Development (2002); Global Partnership for Effective Development Co-operation Summit Declaration (2022); OECD DAC

recommendation on Enabling Civil Society in Development Cooperation and Humanitarian Assistance in 2021; Principles for Locally Led Adaptation (2021).

² Many donors a.o. <u>ECHO</u>, <u>DFAT Australia</u>, <u>SIDA Sweden</u> have adopted LLC policies and targets.

To evaluate progress towards its international LLC commitments, the following proxy-indicators will be tracked during the ICS 2025-28:

Indicator 1: Percentage of direct bilateral SDC funding to local actors. Baseline 2024: 12%.

Indicator 2: *Percentage of bilateral SDC funding through corecontributions to local actors.* Baseline 2024: 0.7%

Indicator 3: Quality of partnerships of SDC's international priority organisations and Swiss NGOs with their local partners: # of SDC core contribution contracts with international and Swiss priority organisations include a formal commitment of them adhering to equitable partnerships with local actors. Baseline 2024: 0.

How can we turn this into action?

Achieving progress on LLC **requires leadership at all levels of SDC management.** This means, that SDC's management consistently champions the importance of LLC alongside the four other strategic approaches of Swiss IC. Successful implementation depends on the active participation of all SDC colleagues both in Swiss representations and at HQ.

Clearly defined actions with responsibilities and proposed timelines are available to turn the targets into reality. To advance LLC, SDC must act in the following interconnected roles:

As an actor: Improve internal processes and foster a supportive organisational culture to effectively promote and advance LLC.

Key actions:

- Turn 'Why not local?' into a guiding question for SDC's work.
- Enhance common understanding of LLC among staff.
- Manage risks to encourage rather than exclude local partnerships.
- Increase responsibilities of SDC's national workforce in LLC.
- Strengthen capacities of strategic local actors.

As a donor: Collaborate strategically with local, Swiss and international partners to advance LLC.

Key actions:

- Encourage international and Swiss partners to increase the quantity and quality of direct support for local partners and their own priorities.
- Guide international and Swiss partners to work equitably with local partners.
- Engage international and Swiss partners to strengthen capacities of strategic local actors.

As an advocate: Leverage its influence and position at global and country levels to advocate for, negotiate and champion local leadership.

Key actions:

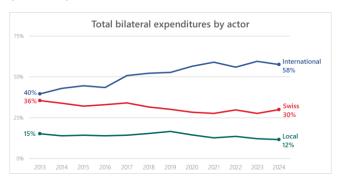
- Promote LLC in multilateral and bilateral fora and through national and international coordination mechanisms.
- Facilitate and promote participation of local actors in international fora.

Potential challenges in advancing LLC include reconciling different Swiss priorities, managing political, fiduciary and security risks, ensuring the legitimacy and transparency of local partners and strengthening SDC's own capacity to implement LLC in a meaningful and accountable way. To meet these challenges, LLC must be guided by five key principles:

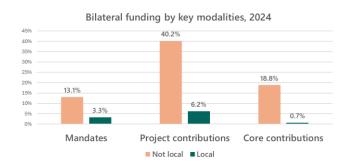
- It must be context-specific and include different local voices,
- It must do no harm,
- It must be feasible,
- It must be complementary (different actors work together according to their strengths),
- It must be harmonised (among donors and partners).

Facts and figures of the 2021-24 ICS period and implications for the 2025-28 ICS period

Over the past ten years, SDC bilateral funding directly allocated to local actors has decreased from 17% in 2019 to 12% in 2024, while funding to international actors has increased by 5% over the same period. During the 2025-28 ICS period, SDC aims to reverse this downward trend in funding to local actors (indicator 1) and improve the quality of partnerships between its international/Swiss priority organisations and local partners (indicator 3).



Quality funding for key local partners. In 2024, only 0.7% of bilateral funding was allocated as core contributions to local actors. During the 2025-28 ICS period SDC aims to increase core contributions to local actors (indicator 2). Such contributions enable SDC to provide strategic support to partners, allowing them to fulfil their essential roles and strengthen their organisational development.



More information on the LLC approach.