Localisation has been a topic of much discussion in international development.

In this blog, we offer some perspectives on how localisation could be interpreted by practitioners who employ a systems approach to development intervention. If the issues here are of interest to you, we’d recommend reading the full piece on localisation for more explanation, examples and context.

For a detailed analysis of localisation one needs to consider the different constituencies involved in development programming – target groups; implementers; funders; and market actors including government and the private sector (fig 1). There are three key characteristics of these actors which are implicitly or explicitly ascribed to them when discussing localisation. While these are often presented as binary traits, they are ill-defined and there is considerable nuance which affects the merits or otherwise of views of localisation. In the article, we unpack both the theory and the practice in relation to these characteristics and in doing so add some nuance to the localisation debate.

This blog argues that the conventional wisdom of equating localisation with localised delivery is misguided. The relevance and parameters of localisation vary widely...
based on context – so, setting localisation as a normative target can actually undermine good development. Programmes using the MSD approach aim to ensure that market actors (public, private and civil society) take ownership of the changes instigated through intervention and implementers ultimately remove themselves from the market. This principle holds irrespective of who funds, who implements and who benefits from intervention. MSD programmes have classically looked to ensure that the solutions are rooted in local systems so that the impact is sustainable and scalable in the local context.

Given a choice of localisation of impact versus localisation of implementation, the developmental case for the superiority of the former is clear. While in reality this is rarely a binary choice, a lack of clarity in framing the issue of localisation can lead to strategies which risk undermining sustainable systems through which the intended developmental impacts might be achieved and building dependencies which prevent organic solutions from emerging. However, the door opened by examining the MSD perspective on localisation gives an opportunity for some introspection about the nuance in this binary prescription.

Local vs foreign

For implementers, MSD theory is agnostic to their origin preferring a meritocratic assessment based on combining scarce skillsets with contextual knowledge, whereas much of the localisation agenda is geared towards prioritising implementers from a particular geography. If prioritising localisation of impact, meritocratic assessment wins.

However, unpacking judgements implicit in this meritocracy reveals a more complex picture. It is often feared that local organisations risk becoming embedded and dependent on the funders and market actors with whom they work; their incentives are stacked against exit. This is likely true. However, foreign implementers who have been present in a country for 30 years with successive projects are no less likely to become embedded. And the reverse is also true. If local implementers are favoured for their local knowledge and networks then at what point does an organisation headquartered overseas, but with entirely local staff and a long-term presence, become sufficiently strong according to this characteristic? As such, using foreign or local implementers as either implicit or explicit shorthand for the assets you hope bring to programme delivery is not helpful. Instead, assessing realistic exit strategies from markets or processes to understand and build networks might be more effective than normatively pursuing (or avoiding) localisation of implementation.

Beyond implementers, under MSD convention, funders are assumed to be foreign, justifying the assumption of eventual exit. However, MSD programmes are
increasingly funded by national actors including governments, challenging this assumption.

Finally, market actors are also often assumed to be local, but the globalised nature of many aspects of many market systems – capital in particular – questions the rationale for this geographically defined assumption.

**Temporary vs permanent**

Under MSD theory, implementers are supposed to be temporary but the incentives are stacked against this, regardless of their geographical origin, and the reality doesn’t bear it out.

Funders too, are presumed to be temporary under MSD theory, such is the flakiness of the international aid system with short programme cycles and vulnerabilities to changing political winds. But pluralism in funding sources, including local foundations and institutions, means that some development programming persists for decades.

Market actors are presumed to be permanent, but this binary prescription too is questionable. An MSD programme might invest considerably in designing an intervention to align perfectly with local government priorities only for that government to change.

**Internal vs external**

Under MSD theory, the assumptions about the position of different constituencies under this characteristic are clear; target groups and market actors are internal while funders and implementers are external to the market system.

The basis for the assumption is that the mechanism for generating impact should lie with those who have a long-term incentive and capability to perform that role – anyone who does not is external and so their involvement should be temporary. Implementers are always external to the system which facilitates their exit while leaving the means for generating impact behind. For funders and market actors, however, assumptions about them being either internal or external do not always hold.

Global private capital is being invested under an impact-generating remit and is therefore very much part of the investment system in the countries in which it invests. Development funding from the EU for pre-accession countries serves the purposes of the funder and has been a long-term part of that support market. Conversely, foreign, seemingly external organisations have become part of localised delivery for things such as social safety nets for decades.
Conclusion

Localisation of impact is an essential part of development intervention. This is core to MSD principles and is coupled with strategies to maximise sustainability and scale of impact. Placing undue emphasis on ‘who does’ and ‘who funds’ development intervention does little to contribute to achieving these aims. The hypothetical attributes ascribed to different constituencies from different places are rarely borne out in reality and is it more important to look at the roles these actors are playing and the incentives and capabilities for them to continue to play these roles.

Thus, focus should be placed on the endogenisation of roles (making them ‘internal’ to a system that can continue to generate local benefits) with the aim of maximising sustainability, scale and impact.

› Read the full article: Localisation and systems approaches