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Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response

THE STATE OF LOCALISATION

A COMPARATIVE ANALYSIS BASED ON EIGHT COUNTRY ASSESSMENTS

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INTRODUCTION

This report synthesises findings and insights from an assessment of 'the state of localisation' in eight countries, namely Bangladesh, Colombia, the Democratic Republic of Congo (DRC), Ethiopia, Indonesia, Myanmar, Pakistan, and Somalia. The research was carried out by the Global Mentoring Initiative (GMI) and a team of researchers based in the participating countries of the Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response (ToGETHER) programme. It was commissioned by the ToGETHER Consortium of Caritas Germany, Diakonie Katastrophenhilfe, Malteser International and Welthungerhilfe. The analysis aims at informing the programme's efforts to advance localisation in the respective countries. Furthermore, it is intended as a contribution to a wider translation into practice of the commitments that international agencies have made to support and reinforce, rather than replace, national and local crisis responders.

The guiding questions were:

- Which understandings of localisation of humanitarian aid exist among humanitarian actors?
- Which localisation initiatives and programmes took place or are taking place in the respective countries? Which initiatives and programs provide good practice?
- Where are in-country actors making good progress and what are the most significant challenges in the key areas of the localisation process - namely partnerships, financing, capacity development, coordination and complementarity, and gender?
- What institutional, policy and political dynamics influence these developments?

NGOs and CSOs were a primary focus of the inquiry. Their experience, perspectives and requests are deliberately given more attention in the reports, as those of international relief agencies have dominated the conversations and documents for decades.

The primary sources of this report are document reviews for all eight countries, complemented by interviews and small group conversations with 252 key informants and the input of 72 respondents to surveys. All research took place between July and December 2020, when all countries faced the COVID-19 pandemic. This required a significant adjustment in the planned approaches. The great majority of all interviews and small group conversations took place online.

1

LOCALISATION RESEARCH, DISCUSSION AND INITIATIVES

1.1 THE TERM 'LOCALISATION' INCLUDES DIFFERENT ASPECTS FOR DIFFERENT ACTORS

The best-known feature of the localisation commitment is the 25% of global available humanitarian funding to national and local actors by 2020 target. Other targets or indicators in the Grand Bargain, including the *'reduction of transaction costs'* are not known or ignored. Among the more knowledgeable and engaged international and local/national actors two major views can be discerned: one holds that the pathway to effective localisation lies with more 'capacity development' of local/national actors; the other that the pathway lies with international agencies sharing power and resources with local/national actors.

Another emerging view sees localisation success as the effective collaboration of multiple, geographically 'local' actors faced with crisis risks or occurrences. Local actors here are governmental, non-governmental, community groups, local private sector entities etc. It is a bottom-up vision, that can coincide with decentralisation policies in e.g. Indonesia and Bangladesh or an emerging federal structure e.g. in some parts of Somalia (Puntland and south-central). The role of national and international actors presumably is then to reinforce and support local capacities, not to replace them.

A third perspective is of more community-led crisis management and response. This resonates with the 'participation revolution' commitment of the Grand Bargain.

1.2 DISCUSSIONS ON LOCALISATION ARE LIMITED IN SCOPE AND PARTICIPANTS

Some countries have no forums where localisation is discussed between key stakeholders, or is not on the agenda where such forums exist. While it has been a discussion topic in various networks and forums of national and local CSOs, e.g. in Ethiopia, the North and South Kivus in the DRC, Bangladesh and Pakistan, international relief actors are not part of this (with the exception of the Somali NGO Forum). The varying degrees of awareness and involvement are closely related to the activism of national/local CSO leaders. In none of the eight countries surveyed did the C4C signatory INGOs come together with the endorsing national and local actors to have a sustained conversation about how commitments are put into practice.

None of the localisation working groups/tasks forces spoken with knew the various available frameworks (from e.g. the Global Protection Cluster, the Humanitarian Advisory Group, or GMI) and/or examples of plans (e.g. from Somalia and Nigeria) already developed and being used, that can serve as examples or inspiration.

1.3 THERE IS A SUBSTANTIAL AMOUNT OF RESEARCH, MOSTLY BY INTERNATIONAL ACTORS

A substantial amount of research and literature on localisation can be identified. The problems, challenges, and obstacles to putting localisation into practice have been amply diagnosed and confirmed. However, although several international research groups have established networks of connections with individual national researchers in different countries, there is no similar level of institutional research partnerships for issues associated with 'development'.

Our assessment revealed that international actors dominate the localisation-related research. Obviously, 'research' is not neutral but reflects the understanding of localisation of the researchers. Thus, research commissioned by international relief agencies is more likely to take international practices as a norm and bring up the perceived shortcomings of national and local actors. More independent research brings out more strongly the experiences and perspectives of national/local actors. We also found no evidence that such research had any significant influence on structural practices of the relief aid sector in general. Not surprisingly then, various national and local actors express fatigue with being interviewed time and again on the same issues, when no change is noticeable. However, a significant part of the good practice examples identified, e.g. OXFAM localisation projects and initiatives, were preceded by research commissioned by the respective organisations.

1.4 SOME PROJECTS AND INITIATIVES TO ADVANCE LOCALISATION HAVE PRODUCED MEANINGFUL RESULTS

There have been, and are, various relevant INGO initiatives, either in medium-term project format or more structurally designed. The ***'Shifting the Power'*** project of the ***Start Network,*** now formally concluded, played out in five countries, Bangladesh, the DRC, Ethiopia, Kenya, and Pakistan and achieved some meaningful outcomes. More structurally, the ***Start Network's decentralised 'hubs'*** might be an enabler for more involvement of national/local actors as equitable decision-partners, able to directly access the Start Fund. ***Oxfam's 'Empowering Local and National Humanitarian Actors'*** (Uganda and Bangladesh) is another relevant medium-term project. Like the Start Network, it combines both opportunities for organisational capacity development and joint learning with access to finance.

Other initiatives to advance localisation at the level of INGO collectives can be noted in the Dutch Relief Alliance, the ACT Alliance and Caritas Internationalis. The focus tends to be on finance.

Some more structural initiatives are being undertaken by national/local NGO coalitions. Examples are the ***Nexus Consortium of nine Somali NGOs***, the ***National Alliance of Humanitarian Agencies in Bangladesh***, or the initiative of ***some individual Congolese endorsers of the Charter for Change*** to develop a strategic plan for C4C in their country. Mentioning these should not create the false impression that beyond the canvas is blank: in various countries, national and local CSO actors have been developing as individual organisations and came together in networks and platforms to be more effective players, from long before the World Humanitarian Summit. The current framing of this as 'localisation' should acknowledge and credit that history. National and international localisation-focused advocacy networks of national/local NGOs are also active, among them the Bangladesh CSO NGO Coordination Process, the Alliance for Empowering Partnership (A4EP) and the Network for Empowered Aid Response (NEAR).

2

CHALLENGES IN THE KEY AREAS OF PARTNERSHIPS, FINANCING, CAPACITIES, COORDINATION, AND GENDER

2.1 PARTNERSHIPS

The term 'partnership' is widely used in the international relief sector to refer to any type of collaboration, including sub-contracting, rather than to a quality relationship based on complementarity, mutual respect and accountability, shared benefits, and shared risks as defined in the 2007 Principles for Partnership. The prevailing atmosphere in the interaction between international and national/local actors seems to be one of mutual distrust.

Tensions are created by how international agencies 'select' partners. The prevailing practice is a unilateral assessment, ostensibly of the capacities of the national/local actor, de facto sometimes more as a 'risk assessment'. Assessments pay more attention to the organisational formalities than its actual functioning, which means international agencies favour 'look-alikes'. Different international agencies collaborating with the same national/local actor, do not harmonise that collaboration. Nor is it standard practice to give detailed feedback when the international agency decides not to collaborate with a national one it assessed.

While national/local actors are often seen as a risk, programmatic risks are largely transferred to them rather than shared, even though they may not be given the resources to manage them. Quite often international agencies deny them a flexible management fee for their work, and put limits on their staff salaries and operational equipment (office, transport etc.). Thus, the Grand Bargain's objective to reduce transaction costs is applied to those with least power.

2.2 FINANCE: ACCESS, QUANTITY, AND QUALITY

As mentioned, the best-known aspect of the Grand Bargain commitment to localisation is the '25%' target. This target is too narrow. When not linked to the quality of the collaboration, it means that 25% percent can be spent through national/local actors without achieving any progress in terms of permanent localisation. Likewise, the target fails to acknowledge that, for any organisation in the world, the quality of funding or income is as important as the quantity. This refers to having all core costs covered, flexible money to spend as the agency chooses, regularity of cash flow, longer-term income prospects etc.

Currently, a national/local agency can find itself stuck in the 'capacity trap': Because it does not have the formalised capacities that international agencies want to see, they cannot access funding, as a result of which they cannot develop their organisation, and therefore continue to be denied access to funding.

A critical but contentious issue is that of the management fee (internal cost recovery). While always provided to UN agencies and INGOs, more often than not it is denied to national/local 'partners'. This poses a dilemma for international agencies, many of whom use part or all of such flexible income to finance their headquarters' costs. This is an issue where donors must come in.

Analysis by Start Fund Bangladesh shows that the full operating costs of national/local member agencies, compared to those of INGO members responding to the same emergency with comparable programmes, are lower. That is now requiring its INGO members to reduce their core operating costs.

A POOLED FUNDS ARE MORE ACCESSIBLE TO NATIONAL/LOCAL ACTORS

The Grand Bargain recommends the expansion of pooled funds as an easier mechanism for donors to provide more direct funding to national/local actors. In practice, with the exception of Ethiopia, some of the country-level humanitarian funds, often managed by OCHA, have proven to be more accessible to national/local agencies, and offer the same management fee as to international grant recipients. But at present the relief aid flowing through pooled funds remains a tiny percentage of the total annual aid going to any country.

B NON-HUMANITARIAN TYPES OF AID RECEIVE MORE DIRECT FUNDING

Because of the 25% target, there are now more studies to try and assess to whom relief aid is allocated, in country and globally. Few combines this with attention to how other types of aid, for human rights, governance reform, peace work and development programmes, is allocated. The indications are that there is more direct funding to national/local CSOs there.

C LOCAL GRANT MANAGERS ARE THE EXCEPTION

Bilateral donors increasingly want grant managers to whom they can hand out a large envelope and who then will take on the responsibility (and risk) of assessing who to pass this on to in the form of a multitude of smaller grants and monitoring and reporting on its proper use. Overwhelmingly, such grant managers are international agencies: UN, some INGOs and private contractors. There is no intrinsic reason why a national entity could not play such role.

D SHORT-TERM FINANCING PREVAILS

The localisation commitment of the Grand Bargain also calls for multi-year investment in the institutional development of national/local actors. There is evidence, from partner-oriented INGOs and several international foundations, that such investment increases impact, yet the practice remains rare in the international relief sector.

E COMPETITION BETWEEN NGOs AND INGOs FOR COMPLEMENTARY SOURCES OF INCOME

Financial sustainability is a critical issue for national/local CSOs around the world. Even in countries where there are many strong and established ones, the dependency rate on international aid is extremely high. Developing complementary sources of income is a strategic priority. The potential for that has greatly increased in several aid recipient countries, with a growing domestic private sector and middle class. However, rather than helping national CSOs to tap into these resources, several INGOs are setting up 'national' entities as part of their global alliance to do so for their own primary benefit. This increases the competition for national/local actors precisely in the area that offers an opportunity to reduce their financial dependency (a major reason why relationships remain so unequal). Such INGO practices are strongly contested by the more informed national/local CSOs.

2.3 CAPACITIES

In general, there seems to be a rather narrow and biased view on what counts as 'capacities'.

A HARDLY ANY ATTENTION FOR COLLECTIVE IN-COUNTRY CAPABILITIES

Capacity thinking is overwhelmingly focused on individual organisations, or even only on the delivery of projects. Attention to the collective in-country capabilities for crisis management, whose reinforcement should be the strategic objective for successful localisation, is rare. The research found only two examples of comprehensive capacity assessments, one by the Asia Disaster Preparedness Centre (for Pakistan and Myanmar) in the context of ASEAN cooperation around disaster management, and the Humanitarian Country Capacity Analysis, commissioned twice by Oxfam in the Netherlands (for Somalia and Bangladesh).

B UNCOORDINATED ASSESSMENTS AND MISGUIDED SUPPLY OF CAPACITIES

Part of the problem lies with the supply side

- uncoordinated and repetitive 'capacity assessments' of the same organisation, and equally uncoordinated 'capacity supply' by international agencies to the same
- too much classroom (and online) training but not enough experiential learning
- strong technical/thematic focus but a lack of organisational development (OD) expertise
- capacity development overload: too much too fast.

The main problem, however, is structural: disconnecting 'capacity support' from the financial viability of the recipient organisation is ignoring the main challenge for the latter: being able to attract and retain qualified people and having some flexible income to invest in OD.

Greater value-for-money could be obtained from investing in national infrastructures in crisis-prone countries that can be 'capacity resources' for its multiple governmental, non-governmental and even private sector actors. Such, after all, are part of the 'humanitarian infrastructure' in aid-giving countries.

C UNDERMINING OF EXISTING CAPACITIES

Many international relief agencies even undermine national and local capacities. The most obvious manner is by constantly hiring away their best staff. There are also less obvious forms of undermining local capacities:

- having organisations implement projects at minimum cost
- causing inflation in the operational centres of a large response
- increasing competition among them
- eroding the spirit and practice of volunteering which is often an important capability of national/local agencies.

Constantly reminding local actors of their organisational deficits undermines there self-confidence as well.

2.4 COORDINATION

A COORDINATION STRUCTURES IN THE COUNTRIES SURVEYED VARY SIGNIFICANTLY

The research found variable situations regarding national leadership of the coordination. Some countries, such as Ethiopia and Indonesia, have a strong national governmental coordination structure, which is supported by international actors such as the ASEAN Coordination Centre for Humanitarian Assistance on Disaster Management and/or the UN. Elsewhere, e.g. DRC or Somalia, the governmental coordination structure is weak.

B LIMITED ACCESS TO INTERNATIONAL COORDINATION STRUCTURES

At the same time, international, usually UN-led, coordination structures are neither very open nor very enabling for national/local actors. Often it has taken long and sustained lobbying to get national actors seats on a Humanitarian Country Team and for a few of them to become co-leads of clusters or sectors. Once present, they may find that their national language (Burmese, Urdu, Bangla, Bahasa Indonesia, Somali) is not used in the meetings, that international participants speak with non-understandable internal sector references (and acronyms) and dominate the conversations and decisions. National actors may feel used only as information sources, not able to influence the proceedings. The multitude of fragmented coordination meetings puts further stresses on often poorly financed national/local organisations.

Where national governments allow large numbers of international agencies to operate, and donors finance such with approaches that encourage competition rather than cooperation, inevitably the cost-of-coordination will increase.

2.5 GENDER AND LOCALISATION

De facto, as far as localisation is concerned, the gender topic has translated into attention to women's rights organisations (WRO) and women-led ones (WLO).

A ACCESS TO FINANCE EVEN MORE DIFFICULT FOR WROs AND WLOs

As already documented during the GBV and Localisation project of CARE, ActionAid and UNFPA (2017-2019), WRO and WLO find it even harder than other local/national organisations to access international funding (quantity and quality) and to meaningfully participate in international coordination structures. They recognise dilemmas: They see advantages in having their own networks and platforms separate from general and/or 'male-led' organisations and of funding pots accessible only to WLO and WROs; on the other hand they do not want to foster opposition between women and men, and would prefer to be recognised on merit.

B IMPOSING WESTERN-DRIVEN AGENDAS

The research also issues a cautionary note about the fine balance that needs to be found between supporting WRO and WLOs on the one hand and trying to engage them on behalf of a Western-driven agenda on the other. WROs and WLOs working on gender-based violence have repeatedly complained they can only get funding for reactive case management and little for preventative work, about being forced to work on LGBTQ issues by international partners beyond what they are tactically comfortable with in their own societies, about their organic women's movement being side-lined and 'NGO-ised' and 'projectised' and about the neglect of joint struggles of men and women against socio-economic structures and policies that foster deep social inequalities. Support for WRO and WLO is welcomed, using them as means for intrusive social engineering of their societies along the model of Western liberalism, not necessarily so.

INSTITUTIONAL, POLICY AND POLITICAL DYNAMICS

The potential key drivers of change are aid donors and national governments.

3.1 GOVERNMENTS

Governments influence the overall situations by political, legal and fiscal decisions and by what kind of disaster management infrastructure they implement:

A DEGREE OF GOVERNMENT LEADERSHIP DEFINES SPACE FOR (I)NGOs

A first major factor are the policies and roles of the national government: They decide the space for international relief actors, but also for their own national civil society, and, of course, what role they assume themselves in the management of any crisis. These political choices may be a form of 'national leadership', but must be distinguished from administrative and substantive leadership. Governments make political choices. Sometimes they want to internationalise a certain crisis (for political reasons and/or to benefit from international financial aid); sometimes they want to avoid much international presence – both can concur within the same country. Administrative 'leadership' occurs when governments insist on vetting all project and programme proposals. Substantive leadership occurs when governments play an active role in coordination but also in assessments and services delivery. Only the latter should count as effective localisation.

B LEGAL AND FISICAL MEASURES DEFINE SPACE FOR CIVIL SOCIETY

Through legal and fiscal measures, but also political behaviours, governments determine the space for their own civil societies. In Ethiopia, for example, very restrictive civil society legislation largely blocked localisation for a decade (2009-2019). The shrinking space in Pakistan (also for international agencies) is not promising either.

3.2 TRANSNATIONAL STRUCTURES

Transnational structures supporting participating countries of the same world region are an important and effective enabler of localisation progress. In the context of this research, this can be clearly seen in the example of the ASEAN Coordinating Centre for Humanitarian Assistance which facilitated significant localisation progress in the Southeast Asian countries included into the study (Myanmar and Indonesia). On the contrary, the absence of a similar overarching humanitarian assistance structure in Africa can be considered detrimental for the further development of localisation.[1]

3.3 DONORS

Despite their express support for localisation, current donor practices have a considerable negative impact on localisation progress.

1 Although a decision has been made by the African Union to set up an African Humanitarian Agency, implementation hasn't yet started.

A PRESSURE ON DONORS TO SPEND LEADS TO SHORT-TERM FUNDING OF PRE-DESIGNED PROJECTS

Donor administrations are subject to pressures to spend and increasingly want to be able to hand out large envelopes and not manage a multitude of contracts. At the same time, some donors have shifted away from longer-term programme funding to funding short-term heavily pre-designed projects, which renders more structural investment in national crisis-management capacities more difficult. 'Risk' has become a major preoccupation which, when combined with a negative perception of national/local actors, works against localisation, though at the same time risk is transferred rather than shared.

Though a majority of crises with humanitarian consequences in the world today are recurrent or protracted, short-term and project-focused thinking remains dominant in the international relief sector. That distorts the value-for-money equation and prevents recognition that simultaneous structural investment in collective national/local capacities is sensible.

B LIMITED DIRECT INFLUENCE OF DONORS ON LOCALISATION

Most humanitarian donors support the Grand Bargain. If, for various reasons, significant direct funding of national/local actors is not possible, they can only implement a localisation or participation revolution commitment via international intermediaries. Currently, this is encouraged but left to the discretion of these international agencies. That does not always work well, so donors must be more active and exercise oversight that the international grant recipients operate in line with the purpose and spirit of the Grand Bargain.

C LOWER AID LEVELS CAUSE LOCALISATION BY DEFAULT

Available aid levels are a major factor. Localisation is a de facto reality where there is little international aid (the forgotten crises) and consequently little international agency presence. It will also start happening de facto when aid levels decline and international agencies scale down or leave. This is localisation by default rather than localisation by design.

3.4 INGOs

The critical discussion of INGO and larger NGO approaches and routines has to be seen in context with factors inherent in the current system international relief work.

Institutional and individual interests can work against localisation. Is the main objective to sustain the organisation more or less as it is, preferably with an increased annual turnover? Sharing or renouncing the management fee is only a first instance where the issue crops up. There is evidence that international and national relief agencies might passively or actively resist organisational and system changes that would reduce their scope of action and/or international job and career opportunities.

TOGETHER PARTNERS