



## Joint analysis and recommendations for the Grand Bargain Annual Review 2019

Non-governmental organisations (NGOs) in the Charter4Change coalition and Accelerating Localisation Through Partnership project consortium collaborated on an analysis of reports against the Localisation Workstream provided by the wider range of Grand Bargain signatories.

We highlight four examples of good or promising practice that might be built upon; we then note four continuing challenges. Finally, based on this and our analysis of efforts on localisation in the Grand Bargain and wider processes, we suggest four recommendations on ways forward.

### Good and promising practices

- **Increased support to multi-year institutional capacity-strengthening.** 18 of 19 NGO and NGO network signatories reported initiatives that support institutional capacity strengthening of local actors, the majority of them through multi-year programs. Notably, efforts have gone beyond training and mentoring to include support for local actors to apply for funding directly from bilateral donors.
- **Steps taken to translate Grand Bargain commitments into internal agency policies and operational guidance on partnership and localisation.** For example, one UN agency undertook its first-ever 'Localisation Baseline Survey' in 2018 of country offices and local partners based on the GB workstream indicators to assess its organisational challenges and enablers on localisation.
- **Harmonising approaches amongst some UN agencies to partnership.** One key example of this is the UN Partner Portal, implemented by UNICEF, UNHCR and WFP, to simplify and harmonise processes, including due diligence and concept note formats.
- **Nascent steps to bring localisation into inter-agency systems and processes.** For example, of 254 clusters/sectors surveyed in 23 operations, half have national/local authorities in leadership roles at the national or subnational levels, including in Somalia where 7 local authorities, 10 NNGOs and 12 LNGOs supported leadership of five clusters at the subnational level. Yet reporting also suggested that only one quarter of the 254 clusters/sectors surveyed indicated that local languages were spoken at meetings. Importantly, NEAR developed the *Localisation Performance Measurement Framework (LPMF)*, and NGOs involved in *Accelerating Localisation Through Partnership* piloted this in some contexts.

### Gaps and challenges

- **Slow progress towards the 25% target and gaps in tracking funds to local actors** Of the 59 signatories to the Grand Bargain, only 7 are able to report passing 25% or more of their funding to local actors. Five donors reported they had newly established different systems and metrics over the past year in their humanitarian funding to track the levels of funding that go to local actors. However, several donors do not receive sufficiently detailed reporting to determine how much goes as directly as possible or to support organisational capacity-

strengthening of local actors. Halfway through the Grand Bargain timeline, most signatories are still developing a system for monitoring funding based on agreed definitions and are unable to report on the quantity or quality of funding shared with local partners.

Progress has been made by some agencies however. For example, one UN agency reported revising its 'Strategic Monitoring Questions' to capture funding trends to national gov, national civil society and sub-national local civil society. CAFOD and NEAR Network published learning on pooled funding which has led to the design of two national pooled funds. NEAR Network and Oxfam, working with ODI and DI respectively, published funding flow studies at the national level – filling important gaps in financial tracking knowledge and prompting national discussions on funding allocation. Charter4Change (C4C) signatory INGOs have increased their share of funding to local humanitarian actors since 2016; with most channelling 20% or more of their total humanitarian funding directly to local and national NGOs.

- **Proliferating compliance requirements** The past year has brought increased attention to how current donor and aid agency parameters on compliance, due diligence and risk management get in the way of them channelling funds to local actors. Several donors acknowledged how their legal frameworks and reporting requirements obstruct localisation. Yet Grand Bargain commitments 2.2, 4.5 and 9.1 all aim to reduce barriers to partnership with local responders, reduce individual donor risk management processes, and simplify reporting requirements.
- **Country Based Pooled Funds are important, but they need amending to better support local actors and cannot be the sole mechanism.** Several donors and UN actors highlight the CBPFs as their main or only contribution to localisation. This is a concern as CBPFs, as currently framed and implemented, are only accessed by a tiny percentage of local NGOs, and only finance a limited range of short-term response activities. They are not the answer for longer-term organisational support and capacity-strengthening.
- **Inadequate efforts on participation, inclusion and gender** Three years after the World Humanitarian Summit, local civil society is too often invited into humanitarian reform processes on a tokenistic or ad-hoc basis. For all the momentum on gender and disability over the past year, progress on inclusion at the humanitarian system level (as opposed to efforts on disaggregation of data within programming) are moving too slow. So far only a limited number of those UN agencies and NGOs focused on gender issues have invested in partnerships with local women-led CSOs. Most NGOs are unable to report on the quantity and quality of funding to womens-led and women's rights organisations. A review by OCHA of access by local women's groups to Pooled Funds, and the newly-formed task-team on localisation under the GBV AoR, could provide important opportunities to generate recommendations not just to those structures, but to the wider system, on empowering local women's groups access to funding and decision-making. Efforts on participation should be assessed not just on a quantitative basis ("how many NNGOs participate in which spaces?") but also on the basis of their ability to inform substantive decision-making and priority-setting.

## Recommendations

### **# 1: Strengthen principled partnership through multi-year funding, covering overhead costs, and investing in capacity-strengthening**

- I. Ensure that at least 10% administrative/overhead costs are included in programme budgets for local partners as well as international partners, and find adequate ways of increasing investment in the core institutional capacities of local humanitarian actors between crises.
- II. Adopt localisation as a key selection criterion when reviewing proposals; especially for multi-year funding. All multi-year funding to UN agencies and INGOs should require applicants to define localization milestones; including attention to capacity-strengthening of local partners and aligning agency-specific partnership policy and practice with the Principles of Partnership. Donors should use their influence through multi-year and core funding to require agencies to demonstrate progress on these issues between now and 2021.
- III. Ensure that local actors are equal and full members in consortia and in the lead where appropriate. Joint projects should embody equal decision-making authority with entitlement to appropriate budgets and overhead costs.

### **#2: Mitigate the impact of proliferating compliance requirements on localisation efforts**

- I. Harmonise and simplify compliance approaches aligned around reasonable common minimum standards. Due diligence and risk management assessments conducted by one donor should be accepted by others towards reducing the burden on frontline responders.
- II. Invest in collaborative learning and piloting of tiered approaches to compliance and due diligence for smaller, local organisations recognising that over time NGOs can build up capacity to meet requirements to access larger funding amounts.

### **# 3: Accelerate progress on direct humanitarian funding to national and local actors at global and country levels**

- I. Make the shift towards 25% a corporate priority within individual agencies (donor, UN and INGO). Leadership should task relevant parts of their organisation to unlock progress towards this through agency-specific action-plans on localisation, which articulate milestones to achieve the target before or by 2021; in line with the Grand Bargain timeline.
- II. Reaffirm collective commitment and action on tracking the 25% target both through the Grand Bargain Annual Review and other relevant processes. In particular, the IASC Principals, the IASC Results Group 5, and relevant stakeholders such as the IATI secretariat, should make accelerated progress on the 25% target – and effective reporting towards this – a collective priority, and reflect this in their workplans and actions over the coming year.
- III. Expand access of local actors to Country Based Pooled Funds (CBPF) funding including through scaling-up initiatives by OCHA and other actors to support local actors on CBPF applications; involving local actors on the CBPF advisory boards in a systematic fashion; and shifting CBPF funding (and other funding instruments) towards multi-year funding and capacity-strengthening opportunities.

### **#4: Catalyse a step-change in meaningful participation by local actors across the Grand Bargain and wider decision-making processes at global and field levels**

- I. Build on the Grand Bargain regional consultations and demonstrator country mission processes to engage local/national NGO participants in the wider global process. Beyond the Localisation Workstream, each workstream should articulate steps to substantively engage local actors and catalyse a wider shift within the sector (eg the Cash workstream works with the Cash Learning Partnership (CaLP), the Collaborative Cash Delivery (CCD) platform and the Cash and Markets working-group of the Food Security Cluster to develop action plans to facilitate systematic and meaningful engagement of local actors in cash policy discussions

and system reform). Charter4Change calls for a level of ambition in this – for example doubling the level of engagement with local actors in workstream and related processes over the coming year.

- II. Establish a category of local NGO Grand Bargain ‘endorser’ and learn from Charter4Change’s approach to engaging local actors in this way to hold international signatories accountable.
- III. Establish global cluster ‘localisation baselines’ and, on the basis of these, develop action plans to engage local actors. Efforts on this front under the Child Protection and GBV AoRs could inform a wider approach across clusters at global and field levels.
- IV. Develop field-level inter-agency ‘Localisation Frameworks’ and ‘Action Plans’ building on the pilots for these currently being developed in Nigeria, Myanmar, Nepal and South Sudan. Support from Humanitarian Coordinators, Country Teams and Cluster or Sector Working Group Coordinators will be critical to translate these bottom-up initiatives led by NGOs into changes in policy and practice by the wider response.

#### **Charter4Change:**

The Charter4Change was launched in 2016. Its charter consists of 8 commitments to drive deeper change on localisation - building on, but going beyond those in the Grand Bargain itself. The coalition’s Coordination Group has equal participation of INGOs and national/local NGOs. Every year the Charter4Change publishes an Annual Report which surveys the INGOs progress on implementing those 8 commitments. The coalition has also undertaken surveys of the national & local NGO endorsers to voice their views on progress by INGOs and other actors. In 2018, the coalition also conducted a study on the Rohingya crisis response, and this year’s Annual Report includes a mini survey on localisation efforts in the Sulawesi response.

Website and C4C Annual Report available at: <https://charter4change.org/>

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#### **Accelerating Localisation Through Partnership (ALTP):**

ALTP is a multiagency consortium programme funded by the European Commission’s Civil Protection and Humanitarian Aid department (ECHO) over two years (2017-2019) to establish at field-level in Nigeria, Myanmar, South Sudan and Nepal what operational elements of partnerships between local, national and international NGOs are most likely to foster localisation of humanitarian action.

<https://reliefweb.int/report/world/accelerating-localisation-through-partnerships-recommendations-operational-practices>