

LOCALISING THE RESPONSE



**WORLD HUMANITARIAN SUMMIT
PUTTING POLICY INTO PRACTICE**

THE COMMITMENTS INTO ACTION SERIES

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Finally, our thanks to the German Federal Foreign Office, Das Auswärtige Amt, who provided the funding for this work.

The Commitments into Action series

Humanitarian needs continue to grow, with millions of people affected by conflicts, natural disasters and other crises every year. Simultaneously, these shocks undermine development gains and block the path out of poverty and towards sustainable development. Furthermore, these negative events can destabilise neighbouring countries and have regional or even global repercussions.

And yet, many humanitarian crises remain underfunded or forgotten. Donors and operational agencies make hard decisions about which operations to prioritise, and which to let go. In short, there is insufficient quality money - which does not reach all those in need, to purchase what they need, when they need it. Human suffering continues unabated.

In May 2016, the World Humanitarian Summit reflected on the shifting nature of crises and the need for new ways of funding and delivering humanitarian assistance, so that humanitarian aid can remain a key and effective tool for the critical task of saving lives and preserving livelihoods. The question of how to better finance humanitarian operations – including how to finance some of the emerging good practices and new ways of working in humanitarian crises – was seen as key to delivering a better response.

Under the OECD's mandate to monitor the effectiveness of aid and to promote peer learning, we will continue to support our members to deliver on the commitments they made at the Summit, especially the commitments around better humanitarian financing.

As part of this work, the Commitments into Action series was developed to provide straightforward, practical guidance for OECD Development Assistance Committee members and other humanitarian donors, helping them translate their humanitarian policy commitments into quality results in the field.

This series has been developed to help professionals with limited knowledge in humanitarian donorship to better engage and deliver on the “new way of working” following the World Humanitarian Summit – supporting them to deliver better finance and better engagement with the humanitarian community on the key issues surrounding humanitarian responses in modern crisis situations. This series specifically targets professionals in donor agencies making decisions about humanitarian funding.

All guidelines are available on a dedicated website designed for humanitarian donors:
<http://www.oecd.org/development/humanitarian-donors/>

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1 Introduction

When disaster strikes, local actors are often the first to respond. National authorities have the primary responsibility to respond and protect their population through their national disaster management plans. In fragile states or crisis contexts, a vibrant civil society can develop, usually complementing or sometimes substituting for basic service delivery. Organisations at the local level, such as the national Red Cross-Red Crescent National Society (RCNS) local branches, faith based organisations and other civil society groups can rapidly mobilise their own resources.

Despite the clear importance of local actors, the international humanitarian system was built by and for international actors, multilateral organisations and international NGOs. The complexity of modern crises calls for a review of this approach. National governmental disaster management agencies and other relevant ministries, local humanitarian responders, NGOs, and Red Cross or Red Crescent societies should be seen as key pillars of an overall humanitarian response. Direct funding to those local humanitarian responders, when possible and relevant, should therefore be seen as a natural evolution of humanitarian aid, as reflected in the High Level Panel report to the Secretary General “Too important to fail—addressing the humanitarian financing gap” (UN, 2015). The Grand Bargain set a target of providing 25% of humanitarian funding to local and national responders “as directly as possible” to be achieved by 2020.

And yet for donors, localising aid should be about more than just allocating more money to local humanitarian responders. Instead, supporting local humanitarian responders should lead to change about how crises are managed, optimising existing partnerships and strengthening the voice of affected populations.

This guidance note is aimed at helping donors interact with and fund local governments, humanitarian responders, and NGOs as they respond to crises. It highlights the range of benefits that such support can bring, as well as outlining some of the risks, by giving practical guidance on how to provide quality financial support to local humanitarian responders according to their own capacities.

2 Definition

Localising humanitarian response is a process of recognising, respecting and strengthening the leadership by local authorities and the capacity of local civil society in humanitarian action, in order to better address the needs of affected populations and to prepare national actors for future humanitarian responses.

However, defining local humanitarian responders is not as simple as it may first appear. For the

purpose of this guideline, and based on initial work by the IASC Humanitarian Financing Task team Working Group¹, the following typologies are proposed (Table 1):

Table 1: Typology of local humanitarian responders

	Typology	Definition
Local humanitarian responders	National and sub-national state actors	State authorities of the affected aid recipient country engaged in relief, whether at local or national level.
	1 National authorities in aid recipient countries	National government agencies, authorities, line ministries and state-owned institutions in recipient countries e.g. National Disaster Management Agencies (NDMA). This category can also include federal or regional government authorities in countries where they exist. Sub-national government entities in aid recipient countries exercising some degree of devolved authority over a specifically defined geographic constituency e.g. local/municipal authorities.
	National and sub-national civil society actors	Civil society organisations engaged in relief headquartered and operating in their own aid recipient country and with autonomous governance, financial and operational decision-making.
	2 National Societies of the Red Cross / Crescent	National Societies that are based in and operating within their own aid recipient countries. National societies are independent auxiliaries of national governments in the humanitarian field.
	3 National NGO/CSO	National Non-Governmental Organisations (NGOs)/Civil Society Organisations (CSOs) operating in the aid recipient country in which they are headquartered, working in multiple subnational regions, and not affiliated to an international NGO. This category can also include national faith-based organisations.

	4	Sub-national/local NGO/CSO	National NGOs/CSOs operating in a specific, geographically defined, subnational area of an aid recipient country, without affiliation to an international NGO/CSO. This category can also include community-based organisations and faith-based organisations.
	5	Local and national private sector organisations	Organisations run by private individuals or groups as a means of enterprise for profit, that are based in and operating within their own aid recipient countries and not affiliated to an international private sector organisation.
		Other actors	
Affiliated organisations and southern international NGOs	6	Internationally affiliated organisations and southern international NGOs and southern international NGOs	Organisations that are affiliated to an international organisation through inter-linked financing, contracting, governance and/or decision-making systems. This category does not include local and national organisations that are part of networks, confederations or alliances wherein those organisations maintain independent fundraising and governance systems. NGOs based in aid recipient countries that are not OECD member countries, carrying out operations outside of the aid recipient country in which they are headquartered and not affiliated to an international NGO. The same organisation can be classified as a national NGO/CSO when carrying out operations within the country in which they are headquartered.
International actors	7	International actors	Humanitarian actors not headquartered in an aid recipient country. This includes international NGOs, multilateral organisations, the International Red Cross and Red Crescent movement, including National Societies operating outside their own countries, and international private sector organisations.

For the purpose of this guideline, only the categories 1 to 5 in the Table 1 above are labelled as “local humanitarian responders.”

Table 2: Typology of type of support

There are widely varying views on what “as direct as possible” means, notably amongst the Grand Bargain signatories. As a result the typology below is indicative.

		Direct funding from the original donor to local / national actors for humanitarian purposes.	
Direct Funding	A	Core funding	<p>Direct funding, unrestricted. Includes specific budget support to state actors (regional or national). Funds are pooled so that they lose their identity and become an integral part of the recipient institution’s financial assets².</p> <p><i>Example: A donor provides support to a NDMA which use the funds at its own discretion to contribute to programmes and activities which the NDMA has developed themselves, and which they implement on their own authority and responsibility.</i></p>
	B	Project funding	<p>Restricted funding tied to an activity or expected result. This includes funding of capacity-building and related in-kind resources (especially secondment of personnel). Such direct support is part of a partnership that includes a transfer of responsibility through the way the response is designed and implemented. The mere provision of in-kind food or non-food items to local humanitarian responders for them to distribute is not considered as direct funding.</p> <p><i>Example: a donor provides support to a local response provider to meet the water and sanitation needs of a displaced population.</i></p>

As direct as possible	C	Pooled Fund	<p>Funding channelled through a pooled fund (e.g. CBPF³, DREF⁴, START⁵) that is directly accessible to local actors.</p> <p><i>Example: A donor without field presence provides funding to the START fund, expecting them to pass this funding on to a local response provider (1 transaction layer).</i></p>
	D	Funding to a network	<p>Funding to an International Federation or network used for the support of local humanitarian responders, including for investment in capacity building.</p> <p><i>Example: A donor supports the International Federation of the Red Cross and Red Crescent (IFRC), who will support a national society in the affected country (1 transaction layer).</i></p>
	E	Partner Funding	<p>Funding through another actor, reaching a local response provider directly after, involving no more than one transaction layer. This can include delegated co-operation through another donor (section 6).</p> <p><i>Example: A donor supports an international NGO who partners with, and funds, a local humanitarian responder (1 transaction layer).</i></p>
Indirect Funding	F	Indirect Funding	<p>Funding from the original donors to any of the local actors listed in Table 1 that involves two or more transaction layers.</p> <p><i>Example: A donor supports a UN agency, which will fund an international NGO, which will in turn fund a local humanitarian responder.</i></p>

Localised response: A humanitarian response is considered localised when a local humanitarian responder is involved in the entire programme cycle: needs assessments, programme design and delivery and final review and evaluation. A mere transfer of in-kind items from an international organisation to a local humanitarian responder does not follow the spirit of the Grand Bargain commitments on localisation.

3 Commitments

The call for increasing support to local humanitarian responders is embedded in several different policy commitments, summarised below:

Good Humanitarian Donorship, Principle 8 *Strengthen the capacity of affected countries and communities to prevent, prepare for, mitigate and respond to humanitarian crises, with the goal of ensuring that governments and local communities are better able to meet their responsibilities and co-ordinate effectively with humanitarian partners.*
 (GHD, 2003)

The Grand Bargain, Commitment 2 *More support and funding tools for local and national responders. And notably:*
 (Grand Bargain, 2016)

(4) Achieve by 2020 a global, aggregated target of at least 25 per cent of humanitarian funding to local and national responders as directly as possible to improve outcomes for affected people and reduce transactional costs.

(6) Make greater use of funding tools which increase and improve assistance delivered by local and national responders, such as UN-led country-based pooled funds (CBPF), IFRC Disaster Relief Emergency Fund (DREF) and NGO-led and other pooled funds.

The Sendai Framework for Disaster Risk Reduction *There is a need for focused action within and across sectors by States at local, national, regional and global levels in the following four priorities (...)*
 (UNISDR, 2015)

The 2030 Agenda for Sustainable *Several references to national and local levels*

Development

(UN, 2015)

in all 17 goals, such as the goal 16.7: Ensure responsive, inclusive, participatory and representative decision making at all levels.

The synthesis report of the WHS consultations further articulates that *“first responders should be better supported, and all humanitarian actors, both national and international, should complement local coping and protection strategies wherever possible. The implementation of such a shift should be aided by analysis of the local operational capacities, a review of current roles and cooperation arrangements, and by the creation of more inclusive decision-making arrangements founded on the principles of partnership.”*

4 Why is support to local humanitarian responders important?

Humanitarian action led by local humanitarian responders in crisis-affected countries, can be faster and more appropriate, saving more lives and alleviating the suffering of victims.

- **Early response and access.** Embedded within their communities, local humanitarian responders have the capacity to respond to the many small-scale crises that are under the threshold of international intervention. A landslide in a remote rural area or a small-scale population displacement across a border can have a direct impact on the affected population, but may well stay under the radar screen of the international humanitarian community. In such cases, local governments, the local Red Cross and Red Crescent branch or a local civil society organisation working on a development project may be the only organisations able to respond immediately to emergency needs.
- **Acceptance.** In an increasing number of conflict areas, it has become challenging or impossible for expatriate or even national humanitarian workers associated with international organisations to access people in need. As a result, international organisations are increasingly resorting to local humanitarian responders to perform needs assessments, deliver aid and interact with local populations and/or local or national armed groups. In certain contexts, this can also improve the general acceptance for humanitarian aid from armed groups or local authorities.
- **Cost effectiveness.** Most of today’s support to local humanitarian responders is undertaken through sub-grant arrangements from UN agencies or international NGOs, with funding passing from donors or other organisations to the international actor, and then on to the local humanitarian responder. Partnerships between international organisations and local humanitarian responders can add value to the response and also help build national capacity. At the same time, decreasing the number of transactions

between the donor and local humanitarian responders can increase the efficiency of aid delivery by cutting transaction costs.

- **Links with development.** Direct support to a local humanitarian responder can increase national capacity and responsibility when it recognises and respects local leadership and decision-making. For example, when donors help a national government to build a social safety net that can absorb shocks in case of a natural disaster, development co-operation goals are aligned with humanitarian preparedness.
- **Increasing accountability.** International humanitarian actors are often accountable to their donors more than their beneficiaries, even if most of them have set mechanisms to take the voice of affected populations into account. However, when aid is provided by local humanitarian responders who are well rooted in society, affected populations are often more vigilant, asking for better quality goods and services, be they national NGOs and/or local government, which can increase accountability.

5 How to provide direct support to local humanitarian responders

5.1 Prerequisites for supporting national and local responders

Several obstacles can hinder direct donor support to local humanitarian responders. The following paragraph explains some of those obstacles. If these prerequisites cannot be met, donors should instead consider supporting local humanitarian responders “as directly as possible” (section 6).

Donor analytical capacity

Before engaging directly with national actors, donors must ensure this channel will deliver the best, most efficient results. To do this, donors need the capacity in embassies and headquarters to interact with local humanitarian responders including to assess the partners’ financial, administrative and operational capacities. If donors lack the capacity to do these types of assessments themselves, they may use existing capacity assessment when they are available (box 1)

Donor structure

Direct support to local humanitarian responders requires donor capacity at the field level, including support from local staff. To do this properly, the donor needs to ensure that their staff in the field has sufficient decentralised decision making authority and capacity to engage with local humanitarian responders, analyse the context and administer these types of grants.

Proper training for embassy staff before deployment on humanitarian issues, as well as ongoing technical and administrative support from headquarters, will therefore be required.

Grant Flexibility

A national or local actor who is already partnering with a donor on development projects can also be involved in the response to humanitarian needs. This requires sufficient flexibility from the donor to insert crisis modifiers in the grant with its local development partner. Crisis modifiers are provisions included into the grant agreement that, in times of crisis, allow the national or local actor to move funds from development activities to crisis response, and/or allow the donor to provide additional funds for crisis response, without modifying the grant agreement.

Donor administrative capacity

Partnering directly with local humanitarian responders requires selection and contracting processes that are appropriately rigorous, but do not create an excessive administrative burden for local humanitarian responders or for donor humanitarian staff. Donors can do this through using and adapting existing contractual arrangements they have with their local or national development partners.

Long-term investment

Building local partnerships is about decreasing the delay in response time during emergencies through the creation of sufficient mutual trust and operational and administrative capacity for local humanitarian responders. Trust requires time to build, and many donors have already built a solid local partner network through their development programmes. As a result, some donors may wish to start their direct support to local humanitarian responders in priority partner countries, where development partnerships already exist that can be adapted to prepare for humanitarian response, or in countries where the donor has supported humanitarian action for a number of years.

Addressing legal restrictions

National legislation or political constraints in countries in crisis can also prevent local NGOs and CSOs from receiving foreign funds, in which case direct funding is not possible. In such cases, donors may instead use their diplomatic voice to attempt to overcome these domestic legislative barriers.

An increasing number of donors now have anti-terrorism legislation, to prevent material support for designated terrorist organisations. This type of legislation can create significant

barriers to providing either direct or “as direct as possible” funding for local response providers. Complying with the legislation and associated vetting tools – which usually collect personal information about each grantee’s employees, trustees and partners – can create a major administrative burden that the local organisation is unable to meet. In addition, local organisations fear that this information, if it falls into the wrong hands, may jeopardise the safety of their staff and thus limit the scope of their programme; this may lead them to refuse to partner with the donor, even indirectly. In addition, the requirements of anti-terrorist legislation may mean extra work for staff in donor organisations, who must clarify and clear grants with other parts of government, such as Ministries of Finance, Interior and Justice – creating major disincentives for partnering with local humanitarian responders. Inserting anti-terrorism clauses in grant agreements can help with this issue, by providing clarity on the interpretation and application of the laws to humanitarian operations.

Where donors do not have the appropriate capacities, legal frameworks, organisational structures or tools for engaging directly with local humanitarian responders, they can still use other mechanisms. In such cases, donors may use pooled funding mechanisms, delegated co-operation to other donors, or rely on international partners (section 6). These mechanisms transfer the responsibility for local partner selection and risk mitigation measures to trusted international partners that have appropriate contextual knowledge and oversight capacities.

5.2 Programming tools for direct support to local humanitarian responders

- **Use development partners and crisis modifiers.** The introduction of crisis modifiers into grant agreements with local development partners ensures sufficient programme flexibility for those partners to rapidly shift from development activities to emergency response in case of a sudden emergency. For instance, if a local NGO is running a development programme aiming at enhancing agricultural practices in a remote rural area, they may well be willing and able to respond a small-scale emergency in their area of operation, if the associated costs or flexibility are built into the initial programme design. Local development actors can also be involved in emergency preparedness, for example, to collect baseline data that can be used to inform needs assessments ahead of a crisis. For example, a donor partnering with a local NGO working on water provision can provide additional funds to develop their emergency response capacity and insert relevant provisions into the funding agreement, allowing that NGO to respond to crises as and when they occur. The combination of emergency response capacity building, and new or modified funding to quickly scale up or scale down the response to crises and shocks, can allow local organisations to respond rapidly, using some of the funds initially allocated for development projects.

- **Design development programmes that have built-in shock absorbers.** Development programmes that support people’s coping capacities and resilience have the intrinsic element of a humanitarian response and can make the difference between people’s ability to cope (and avert crisis) or not cope (requiring humanitarian assistance). Examples of these types of programmes include: designing water and sanitation systems that can tolerate prolonged dry/wet periods; agricultural services that can rapidly provide additional or ongoing support with drought tolerant crops; social protection systems that can be adapted in slow-onset crises as people’s coping capacities diminish.
- **Use existing partner capacity assessments.** UN agencies, international NGOs and some donors are often already interacting with local humanitarian responders in a given context, and they often already have assessed their capacities in a structured way (Box 1). Donors should verify if existing partner assessments in country can meet their expectations before undertaking their own partner assessments. Using harmonised and existing tools across donors is good practice, as it reduces the administrative burden on local humanitarian responders.
- **Be transparent.** Donors should inform national partners about funding opportunities, thereby ensuring local organisations’ awareness and providing them with a fair chance to apply. Any barriers, including language, should be removed as much as possible so that information is made available in local languages and there are provisions for allowing equal access to all local humanitarian responders.
- **Provide quality funding.** Donors should ensure that the same costs are eligible for local humanitarian responders as for international organisations or NGOs. Local humanitarian responders have operational costs, including those for administration, rent, travel, vehicles and staff, as well as capacity building costs such as training. For donors, allowing those costs is good practice. When feasible and relevant, providing multi-year funding to local humanitarian responders provides a strong basis for capacity building and allows the organisation to retain staff, contributing to greater stability and quality of aid (OECD, 2016).
- **Adapt reporting requirements.** In large scale or protracted crises, the biggest local humanitarian responders, including NDMAs, receive funding from multiple donors. When each donor has its own reporting requirements, the administrative burden on the local humanitarian responder can hamper its operational capability. It is therefore good practice for donors to seek to align reporting requirement and timelines.

Box 1 – OCHA Local partner capacity assessment

When managing Country Based Pooled Funds (CBPFs), OCHA works with a diverse range of implementing partners. One of the strategic objectives of the CBPFs is to increase support to local humanitarian responders and build their capacity. As part of this, OCHA created a Partner Capacity Assessment. This capacity assessment assesses governance and institutional capacities, programmatic response capacity, co-ordination and partnership capacity, and internal and financial capacity.

Based on the individual score obtained during the assessment, eligible partners are categorised in three risk-level categories (low, medium, high). The score also determines the appropriate operational modalities and control mechanisms that will apply to the management of the partner's project (such as scope and frequency of monitoring, spot checks, narrative and financial reporting activities, budget, as well as number and amount of disbursements). Risk levels assigned to each partner can then be adjusted through demonstrated good performance and by addressing areas which require improvement.

Source: Operational handbook for Country Based Pooled Fund (OCHA, 2015)

6 How to provide 'as direct as possible' support to local humanitarian responders

When donor cannot meet the prerequisite listed above, there are alternative ways to support aid localisation under the "as directly as possible" category (Table 2). Particularly in large scale crises, good ways to channel funds to local humanitarian responders include:

- channelling funds through an international partner to pass on funds to their local partners,
- using networks, or pooled funds led by the UN, the IFRC or NGOs, when they are accessible to local humanitarian responders,
- through delegated co-operation to other donors.

In all such cases, the donor should aim to ensure that a fair partnership exists between the local humanitarian responder and its direct funding provider, whether this is a UN agency, a pooled fund or an international NGO. This can be done by requiring that funding is passed on to the local humanitarian responder with the same conditions as for direct funding, described in paragraph 5.2 above.

6.1 Programming Tools for 'As Direct as Possible' support to local humanitarian responders

- **Pooled funds (typology C):** Mobilising and investing in pooled funding mechanisms can provide an opportunity for local humanitarian responders or local networks to access funding without having to fundraise across multiple donors. With funds already available locally, country based pooled funds can also respond to local or small scale emergencies that would normally not trigger an international response. For instance, repairing a small road allowing access to humanitarian actors to a certain area could be funded by a local pooled fund to a local humanitarian responder. However, donors should ensure that access to local humanitarian responders is not only theoretical (i.e. allowed under rules and procedures), but also possible, i.e. by using appropriate operational procedures and realistic capacity assessments.
- **Funding to a network (typology D):** Civil society in developing countries are increasingly getting organised in national, regional or international networks that could be further supported. The International Federation of Red Cross and Red Crescent society (IFRC) is the oldest humanitarian international network. The Red Cross and Red Crescent national societies are independent auxiliaries to the government, and support through the IFRC ensures support to national societies in affected countries.
- **Partner funding (typology E):** Funding that has only one layer of transaction between the donor's partners and the local humanitarian responder is a way to support local response and capacity building if the agreement between donor's direct partners and the local humanitarian responder is truly a fair partnership. If the local humanitarian responder has no decision in the programme design, targeting or implementation, the programme cannot be considered to be a partnership; for example, subcontracting a local NGO to distribute food to recipients in situations where the decisions over what food would be provided, and to who, were made by the international partner. Moreover, donors must ensure that local humanitarian responders enjoy the same quality of funding as its direct partner, and that the same types of costs are eligible.
- **Delegated co-operation:** through delegated co-operation, a donor delegates authority to a lead donor to act on its behalf to administer funds. The principle aim of delegated co-operation is to reduce transaction costs and increase aid effectiveness through greater use of the comparative advantages of the individual donors (OECD, 2003). While localisation will generally not be the primary goal of using delegated co-operation, such arrangements can allow support to local humanitarian responders when there is a shared objective to support the localisation agenda and the lead donor is able and willing to enter into direct partnerships with local humanitarian responders.

7 Localised agenda as a catalyst

Supporting the localisation agenda can have a catalytic effect on the overall humanitarian architecture. Supporting this agenda acknowledges the particular role of local humanitarian responders in responding to humanitarian needs. There are some steps that should be taken in any possible response to ensure the localisation agenda serves as a catalyst for a more efficient humanitarian response:

- **Engaging in a fair partnership.** Whether support is direct or ensured through pooled funds, networks or another partner (Table 2), it is of donor's responsibility to ensure that local humanitarian responders benefits from a fair partnership. Once the capacity of a local humanitarian responder is positively assessed, the partnership should be based on the same basis as it would be with an international organisation. Localisation is a process of recognising and delegating leadership and decision-making to national actors in humanitarian action. This includes, for example, the use of national procurement systems in disaster preparedness or crisis response. Partnering with a local humanitarian responder often becomes long term relationship, requiring proper care. Needs assessment, programme design, budget planning and other parts of the programme cycle should be led by the local humanitarian responder, not the donor or international partners, with regular meetings between the local humanitarian responder and its donors to build trust and adapt programmes and support where necessary.
- **Flexible development programming.** The appropriate use of crisis modifiers, i.e. using flexible development programming, opens up many opportunities for humanitarian efficiency gains. In many cases, local humanitarian responders are primarily development actors in their countries or region. Allowing local development actors build their emergency response capacity within their development programmes, and to scale up their activities to respond to humanitarian needs, is a good way to align development action and humanitarian response in a particular area. This could include when relevant supporting their capacity to do their own fundraising and depend less on external financial support.
- **Enabling political and legislative environment.** Donors should combine their development and humanitarian engagement with political dialogue where needed and use their diplomatic voice to help creating a proper legislative space for local humanitarian responders. For example, when national legislation prevents local NGOs from receiving foreign funds or accessing certain areas, donors can engage in political dialogue with the Government to overcome those constraints.

- **Increasing dialogue and co-operation** between Government NDMA and civil protection entities in donor countries should be encouraged. This could involve mutual training and staff swaps, for example, to build trust and capacity ahead of crises.

8 Risk Management

Risk aversion still prevails with localised aid. Risks in humanitarian aid should be assessed based on their likelihood and possible consequences. Many risks surrounding localisation of aid can be mitigated by putting appropriate controls in place at the design and planning stage. Risk mitigation measures may also be embedded in partnership arrangements. The table below gives some examples.

Table 3: Risks associated with direct support to local humanitarian responders

Risks	Mitigation measures
<p>Contextual risks</p> <p>At the onset of a crisis, donors, humanitarian agencies and large international NGOs may not have a good knowledge of local capacity.</p> <p>Local humanitarian responders may operate in areas that are inaccessible to international staff, making it is difficult for donors to select local partners in a conflict environment.</p> <p>Moreover, it may be difficult in certain contexts to judge if national humanitarian actors are truly representative of the communities they serve, especially for gender or protection risks. For example, is the potential local humanitarian responder gender sensitive in its action?</p>	<ul style="list-style-type: none"> • Donors with an established presence in-country will be better able to analyse national humanitarian responder’s capacity, including National Disaster Management Agencies (NDMA), in delivering humanitarian aid efficiently and according to humanitarian principles. For instance, donors partnering with national or local actors for development activities will have already established trust and thus can rely on this partner in case of emergency. • Solid monitoring throughout the project by trained staff. • Donors should ensure a gender balanced representation in its partner’s management team.
<p>Institutional risk</p> <p>National responders may not always have proper financial systems, internal controls or the ability to comply with international accounting standards. As with all responders, there is always a risk of fraud, corruption and misappropriation of</p>	<ul style="list-style-type: none"> • Donors should ensure their partners are financially able to absorb funds and manage a programme through a capacity assessment (Box 1) or using existing assessment in country. • Where possible, use electronic payments that

<p>funding.</p> <p>Risk of funds not being used for intended purpose, risk of breaching anti-terrorism laws.</p>	<p>can be better traced.</p> <ul style="list-style-type: none"> • Donors can start partnerships with small pilot projects, to build trust and capacity. • Visit and monitor projects when possible.
<p>Programmatic Risk</p> <p>The capacity of national humanitarian actors to deliver effective humanitarian assistance, especially in conflict or crisis contexts, may be uneven.</p> <p>For example, during large-scale crises, there are often limited numbers of overstretched local humanitarian responders that implement multiple projects on behalf of many different international organisations or NGOs. This can result in low absorption capacity and inability to implement additional projects, or to report adequately on activities and results.</p>	<ul style="list-style-type: none"> • Donors and international partners should avoid overloading local partners beyond their absorption capacity. This can be done through dialogue and co-ordination. • Like-minded donors can harmonise reporting formats and capacity assessments so that local organisations can focus on programing and delivering aid instead of filing different capacity assessment capacity forms. • Donors should allow their local partners, including local development partners, to build a humanitarian response capacity as a preparedness measure.
<p>Risk transfer</p> <p>Local humanitarian responders are often the only option when access is not granted to international organisations for security or political reasons. In those cases, those local humanitarian responders bear most of the security risks.</p>	<ul style="list-style-type: none"> • In high risk environments, donors should ensure that appropriate risk mitigation measures are taken by the local humanitarian responder, and that risks are shared across partnerships. • Local humanitarian responders should not be pushed to operate in overly risky environments. They should be provided capacity to design security plans and training, cover security costs, including insurance against risks faced by its staff, at the same level an international organisation would have in a similar environment.
<p>Reputational risk</p> <p>Direct support to local humanitarian responders can entail reputational risks if donors fail to assess their partners' capacity and neutrality in delivering humanitarian assistance, the project's results are not reached, or aid is not delivered</p>	<ul style="list-style-type: none"> • Donors should ensure their local partners are able to manage a humanitarian programme through a capacity assessment, monitoring and evaluation of projects. • Donors should also ensure capacity building to

<p>according to humanitarian principles.</p>	<p>their development local partners that are more likely to respond to humanitarian needs.</p> <ul style="list-style-type: none"> • Co-ordination with other donors and the humanitarian community can considerably reduce this risk in helping select the adequate local humanitarian responder and avoid overloading local partners beyond their absorption capacities.
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Risks associated with indirect support to local humanitarian responders

Donors without local presence or local partnerships can rely on support “as directly as possible”, i.e. local pooled funds or local or international networks or partners. This type of indirect support transfers most of the risks outlined in Table 3 from the donor to the direct partner. As a result, donors should ensure that relevant risk mitigation measures are put in place by their direct partners.

Donors should also verify that local humanitarian responders have real access to pooled funds, notably through a lean and appropriate administrative process. Donors should also regularly ask fund managers for statistics pertaining to access and disbursements or grants to local humanitarian responders.

9 Co-ordination and co-operation

Governmental emergency agencies and local civil society humanitarian responders have to manage a surge in activities and financial flows during a crisis response. This spike in activity often places a significant stress on organisational capacity. In some crisis settings, there are very few local humanitarian responders able to respond to an emergency, and over-solicitation from donors and international partners can lead to a significant reduction of efficiency or near collapse of organisational structures. Therefore, donors have an important responsibility to co-ordinate, ensuring they provide proper administrative support and/or adapt their administrative requirements for the partners they chose to support. Following collective approaches to supporting local humanitarian responders, where applicable, can considerably reduce administrative loads.

As stated above, donors should agree when possible on common or existing formats for local capacity assessments in order to make the localisation agenda the most effective. In-country, co-ordinating agencies (including pooled fund managers where relevant) could be requested to centralise local capacity assessments.

10 Impact and Monitoring

Like any humanitarian programme, measuring results and possible outcomes should be conducted when a local humanitarian responder delivers the aid.

Direct support to local actors where access is possible: When access is possible, donors should seek to visit the project and monitor its activities. Such visits strengthen partnerships and are beneficial for both the local humanitarian responder and the donor. They also complement partners' reports. Direct monitoring can also help donors to see first-hand whether the response was more effective because it was channelled through local humanitarian responders instead of an international one – and to share learning and success stories with others.

Direct support to local actors where access is not possible: Local humanitarian responders are often used as an operational remedy when international staff from UN agencies or international NGOs does not have access to a particular area for security or political reasons. In those cases, independent monitoring by the donor is not possible, but some measures can be taken to assess the quality of the response and its abidance with the partnership agreement. Third party monitoring, remote data collection, photos of project activities, field surveys, etc. are becoming important monitoring tools in unsecure environments (SAVE, 2016).

Indirect support: When a local humanitarian responder is supported indirectly, the international partner holds the legal responsibility for monitoring results, measuring impact and reporting. Donors should therefore ensure their direct partner has the capacity and system in place to effectively ensure this is done, but also to ensure the local humanitarian responder has built the capacity to monitor its own results.

Support through pooled funds: When support to a local humanitarian responder is channelled through pooled funds, the fund manager holds responsibility for monitoring and measuring impact. Donors should ensure that such mechanisms are in place, and that donors receive detailed feedback from the pooled funds activities, including information originating from local humanitarian responders.

11 Conclusion

In line with the World Humanitarian Summit's commitments, better serving people in need require that donors adapt their funding modalities to fit the evolving context. Being able to support local humanitarian responders more directly is an important step in that direction, and opens a wide range of new possibilities towards delivering more efficient assistance. Supporting localisation is a policy commitment that requires investment and capacities. Localising the aid also brings the potential to help bridge humanitarian action and development programming.

OECD Development Assistance Committee members and other humanitarian donors are encouraged to consider making support for local humanitarian responders a larger part of their humanitarian financing portfolio when relevant.

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Notes

- 1 The Inter-Agency Standing Committee (IASC) is the primary mechanism for inter-agency coordination of humanitarian assistance. The Task Team Working Group on the Grand Bargain Localisation Marker was set after the World Humanitarian Summit in May 2016.
- 2 OECD DAC statistical definition, N° 2.5 : <http://www.oecd.org/dac/stats/faq.htm>
- 3 Country-based pooled funds (CBPFs) are multi-donor humanitarian financing instruments established by the Emergency Relief Coordinator. They are managed by OCHA at the country-level under the leadership of the Humanitarian Coordinator (HC)-. Donor contributions to each CBPF are un-earmarked and allocated by the HC through an in-country consultative process. <http://www.unocha.org/what-we-do/humanitarian-financing/country-based-pooled-funds>
- 4 The Disaster Relief Emergency Fund (DREF) is a fund set up by the International Federation of Red Cross and Red Crescent Societies (IFRC) to ensure that immediate financial support is available for Red Cross Red Crescent emergency response to disasters. Money can be authorized and released within 24 hours. <http://www.ifrc.org/en/what-we-do/disaster-management/responding/disaster-response-system/financial-instruments/disaster-relief-emergency-fund-dref/>
- 5 The Start Fund provides small-scale grants for small to medium scale emergencies that often receive little funding. Projects are chosen by local committees, made up of staff from Start network members and their NGO partners, within 72 hours of an alert. <https://startnetwork.org/start-fund/how-fund-works>