

More than the Money – Localisation in practice

Véronique de Geoffroy and François Grunewald (Groupe URD), with Réiseal Ní Chéilleachair (Trócaire)

The term 'localisation' has become the buzzword of 2017, a subject that has taken on a new dimension due to the commitments made as part of the Grand Bargain¹ agreed at the World Humanitarian Summit in May 2016.

International actors are paying more attention to the role of local and national organisations while national actors want to play a bigger role in humanitarian response and be recognised as major players in first line response.

While a number of humanitarian organisations work systematically with local partners, for others, it is primarily a way of gaining access to difficult regions or a way of saving money in a context where there is pressure from donors to cut costs. Although there has been a lot of discussion on the role of local actors and the necessity to make aid *as local as possible and as international as necessary* and to *reinforce, not replace* local capacities, much of the discussion has been at an international level and between international actors.

In 2017, Trócaire and Groupe URD undertook research on what 'localisation' of humanitarian aid means in practice. Working with Trócaire partners and the wider humanitarian community in Myanmar and in the Democratic Republic of Congo (DRC), the research examined localisation within the framework of the Grand Bargain. The final research report will provide recommendations to Trócaire on how to further strengthen partnership work with local actors in humanitarian settings.

This paper outlines 6 key issues of relevance to Trócaire and to the wider humanitarian sector: (1) Heightened tension between international and national actors, (2) Critical analysis of the humanitarian sector by local and national actors, (3) Humanitarian principles, (4) security management and risk transfer, (5) Direct funding and accountability, and lastly (6) Linking Relief Rehabilitation and Development (LRRD).

Aid localisation is a collective process by the different stakeholders of the humanitarian system (donors, United Nations agencies, NGOs) which aims to return local actors (local authorities or civil society) to the centre of the humanitarian system with a greater, more central role.

In addition to enabling a more effective and efficient humanitarian response, the long-term aim of localisation is to build the resilience of crisis-affected communities by establishing links with development activities.

Defining localisation and identifying its subjects

There is not yet a globally accepted definition of aid localisation. To frame the discussion around the different components of this concept, the following common definition emerged: Aid localisation is a collective process involving different stakeholders that aims to return local actors, whether civil society organisations or local public institutions, to the centre of the humanitarian system with a

¹ <http://www.agendaforhumanity.org/initiatives/3861>

greater role in humanitarian response. It can take a number of forms: more equitable partnerships between international and local actors, increased and “as direct as possible” funding for local organisations, and a more central role in aid coordination. Underpinning this is the question of power. Localisation requires a shift in power relations between actors, both in terms of strategic decision-making and control of resources.

Many of the problems with regard to putting localisation into practice come from a lack of understanding of local actors. In order to be able to work with, for or through local actors, being state actors or civil society organisations, it is necessary to identify and understand the diversity of a broad range of actors. Their nature and capacities vary and they are the result of very different trajectories.

Increasingly, localisation is an agenda item of Humanitarian Country Teams. Engaging ‘local’ actors, frontline actors and groups who do not or cannot connect to the international coordination mechanisms is a challenge. In certain contexts, the system must be changed to engage effectively with local actors and ensure that responses are indeed as local as possible. In terms of localisation and reinforcing the capacities of local partners, the temptation is to impose a replicated system of the same norms, standards and procedures on national and local actors, which would potentially reduce comparative advantage and complementarity in different contexts.

Identifying the local actors in each specific context is an essential first step before the concept of localisation can be implemented in practice: the issues at stake are not the same for an open conflict, a complex extended crisis, a slow or a rapid-onset natural disaster. Identifying capacities in terms of preparedness, rapid response, access, agility, respect for humanitarian principles, accountability, sustainability and prevention in these different types of contexts allows the concept of localisation to be put into practice beyond assumptions and “politically correct” posturing.

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Localisation: Issues at stake

The research found that the localisation ‘agenda’ is a Pandora’s Box of issues linked to the political economy of aid and North/South relations. If badly managed, it could potentially create or worsen tensions between local and international actors.

In this paper, we examine 6 key issues that apply to the broader humanitarian sector, from local actors, local authorities, international organisations and donors and all the additional actors engaged in humanitarian action who will be influenced by The Grand Bargain, whether signatories or not.

1. HEIGHTENED TENSION BETWEEN INTERNATIONAL AND NATIONAL ACTORS

Local and national NGOs have mixed opinions about their relations with international actors. These depend both on the international actor’s behaviour and approach (their practices and their view of partnerships), and on the national actor’s maturity and its independence both financially and in terms of its positioning. Though national and local NGOs recognise where positive input and constructive interaction has contributed to their growth, there are many areas of tension.

i. Access to and competition for funding:

Local NGOs’ access to international funding remains difficult. Few donors have budget lines specifically for local NGOs. The increasingly frequent use of competitive tendering, which, in some respects, could be favourable to local NGOs (in terms of costs), is unfair in a number of ways. Certain local NGOs feel that competing with international NGOs for some proposals is imbalanced when co-funding is required. It is difficult, if not impossible, for

these NGOs to raise the proportion of funds that is requested. This view is confirmed by certain UN agencies who are trying to establish more direct partnerships with local NGOs but struggle to find partners who meet their criteria, notably regarding their ability to mobilise complementary funds. Interviewees pointed to two other factors that they consider to be unfair: the fact that international NGOs try to receive funding at the local level when they have other opportunities at the international level; and *“the fact that INGOs are much older makes it unfair that we have to compete with them”*.

- ii. The question of overhead costs:** For local and national NGOs, institutional development depends on having access to dedicated support funds, and when the latter do not exist, to overhead costs. When asked what needed to be changed to improve localisation, a partner of Trócaire’s in Myanmar answered, *“Get more direct funding, where administrative costs are included”*. Institutional support from donors and non-earmarked funding is exceptional and highly appreciated. The fact that local and national NGOs have to go through international NGOs, who in general keep a large part of the overheads, creates resentment. Some local NGOs have begun to say, *“we have been trained enough, we do not need any more capacity building – now we want to deal directly with the donors”*, and thus keep the overheads for their own needs.
- iii. Respect and equal treatment:** Some representatives describe problems of behaviour on the part of certain expatriate staff (lack of respect, suspicion, etc.). Local actors sometimes feel exploited when they are approached for information for needs assessments and then bypassed during the response. The differences in salaries between local and international staff is regularly mentioned and seems unjustified: this raises the question of the difference in salary

between national managers of international NGOs, the staff of local NGOs and the staff of local and national administrations, with a real risk of problems on the local labour market, with a risk of competition to employ the best staff, and of headhunting. Local actors also have difficulty investing in logistics and support systems in general, such as vehicles. This creates a difference of status with international NGOs which is sometimes felt to be unjust.

- iv. Access to information.** Local NGOs, including the ones that are the most developed, describe the difficulty they have in gaining access to information. Access to internet is difficult in many regions and requires logistics and significant resources, which many local actors do not have.
- v. The complexity and cumbersome nature of reporting mechanisms:** Above a certain size and number of projects to manage, local NGOs complain about the complexity and the quantity of the reports that need to be produced, with different calendars and formats depending on the donor/partner. In Myanmar, according to field staff, *“each partner has to provide a report on each programme, following the specific report format. In some cases, Trócaire tries to reconcile things at a higher level. This is all extremely time-consuming for partners and for Trócaire”*².

In Myanmar, certain international NGOs are known for supporting their national partners effectively. It is a strategic objective of some of the local NGOs consulted during this study to become partners of these organisations. For other actors, international NGOs are seen as competitors. In the words of an interviewee in Myanmar *“By removing the intermediary layer (meaning UN and INGOs), more money will go to the population”* and *“there have been INGOs for a long time, but it is critical that they make themselves obsolete”*.

² Myanmar has been identified as a pilot country for Aid Harmonisations: Grand Bargain WS 4. Reduce duplication and management costs with periodic functional reviews

The issue of localisation opens the door to other essential issues related to the political economy of aid and North/South relations. If it is handled badly, it can potentially create or increase tensions between local and international actors.

2. CRITICAL ANALYSIS OF THE HUMANITARIAN SECTOR BY LOCAL AND NATIONAL ACTORS

The aid system has become standardised and more complex over the years. International organisations currently use a number of standards (Sphere, Core Humanitarian Standards), guidelines and processes (cluster mechanisms, response cycles and Humanitarian Response Plans, etc.) in order to respond to different humanitarian situations in a responsible, predictable and coherent manner.

In terms of localisation and reinforcing the capacities of local partners, it could be very tempting to impose the same norms, standards and procedures on national and local actors, which would potentially lead to a loss of diversity, difference and creativity to do things differently. However, as localisation helps to promote resilience and sustainability by doing things differently, actors must adapt programmes to context and promote difference and diversity.

According to a partner in Myanmar: *the required flexibility in times of turbulence is not always there with western donors. Donors often don't understand the changes in the field and keep a rigid approach "result-based management" in turbulent, complex, diversified and fast-changing conditions. Yet another one argued that, "the UN is still a difficult partner to engage with in terms of shared decisions. The UN still comes with blueprints from other countries and makes little effort to adapt it to the context".*

Humanitarian coordination mechanisms are often very complex and resource-heavy, and national and local actors often find it difficult to find their place within them. Meetings held in a foreign language, information generally transferred by internet, means of transport often unavailable and time constraints, make it difficult for them to take part. In some countries, local and national NGOs use specific communication tools (e.g. WhatsApp) which international organisations do not often use.

The technical silo approach to assistance, which is sometimes made worse by the cluster coordination mechanism, is also regularly criticized in Myanmar where local actors feel that the humanitarian response should be integrated.

According to one of Trócaire's partners in Myanmar: *"The local response to a big disaster is often fast and adapted during the first 24 -48 hours. While INGOs and UN agencies still continue to discuss and have logistical difficulties to move in, local NGOs know how to move fast, and come with some resources and start the operations before they have all the information. Why ask for a log frame and work plan when there is no information and when time is a crucial resource? Flexibility is the key."*

In contrast, certain interviewees in DRC expressed concern about local NGOs reproducing standardized mechanisms for the distribution of humanitarian aid (distribution of NFI, food aid and temporary shelters) rather than thinking about more long-term approaches to agricultural recovery or support for the construction of more long-term shelters for displaced people.

Making the aid system's standardization tools coherent with the many different contexts and perspectives that exist is not easy. This needs to be approached in a strategic and transparent manner in order to avoid transforming national and local actors into "clones" of international actors, or, in the words of a UN representative in Myanmar, to avoid *"the syndrome of the Chameleon: looking like us, doing things like us"*, which would remove the value of their being "local".

In the event of a security problem, local actors often do not have the same protection or solutions as international actors. This difference in treatment, notably during evacuations, is often viewed as an injustice and raises important ethical questions.

3. HUMANITARIAN PRINCIPLES

Many international stakeholders express concern about whether humanitarian principles, particularly impartiality and neutrality, will be respected by local organisations. Indeed, local organisations (Community Based Organisations (CBOs) and Civil Society Organisations (CSOs)) are rooted in their historical, cultural and religious constituencies and have to report back to them in formal and informal ways. In Northern Myanmar, IDP camps are frequently populated by people from one church group, as they move to the closest institution that shares their faith.³ In DRC, even though there are no clearly identified frontlines or discrimination based on religious, political or ethnic affiliation, there is tension in relation to partnerships with local NGOs. One of their main strengths is their links with local communities and the local authorities. These close links are also perceived as a weakness: there is a real risk of nepotism, with local NGOs who give priority to their own networks for jobs, suppliers, beneficiaries, etc. All agencies that work in partnership with local NGOs need to pay particular attention to this point, though these weaknesses are by no means limited to local NGOs.

On the other hand, in Myanmar, some national organisations express concern about the level of neutrality of international actors, such as UN agencies, as they feel that their links with the government are too close and they feel that the international community is too complacent. Some national organisations also raised the question of which humanitarian principles should be respected most: are neutrality and impartiality more important than humanity? In DRC, MONUSCO⁴ is not perceived

as completely neutral and the alliance with United Nations agencies can compromise the principles of independence and neutrality. If the political situation were to deteriorate, the positioning of these security forces could change, which could consequently affect the local and international partners of UN agencies.

Finally, how neutrality and impartiality are understood may have to be questioned in the context of the localisation agenda: are they principles that have to be applied at all levels, including the local level, or do they only have to be applied at higher levels (e.g. crisis or country level)? In other words, does the cumulative action of various partial CBOs and CSOs achieve a certain level of impartiality and neutrality?

In DRC and in Myanmar, certain international actors work with local actors who, taken individually, are not neutral or impartial. They consider neutrality and impartiality at a higher level (province/region/state). It is aid as a whole that needs to be neutral and impartial and not each individual project or partner.

4. SECURITY MANAGEMENT AND RISK TRANSFER

One of the clear advantages to international actors of working through local actors in highly insecure areas that are inaccessible to international organisations is the fact that they are subject to fewer security constraints, or, in other words, they take greater risks. The localisation of aid often leads to the transfer of risk from international to national actors. This is one of the essential reasons for the localisation process globally, but it is rarely expressed explicitly.

³ See « Faith-based humanitarianism in northern Myanmar », Edward Benson and Carine Jaquet in Faith and responses to displacement, Nov. 2014

⁴ The United Nations Organisation Stabilisation Mission in the Democratic Republic of the Congo

International actors increasingly engage with local actors ('remote-control', 'sub-contracting' or 'partnerships'), but it is rare that the increased risks for local actors are recognised. Local actors often have fewer logistical resources (vehicles, means of communication, physical protection) and are less well prepared in terms of security procedures and training compared to their international counterparts. It is no surprise then that the casualty rates among national humanitarian workers are highest. In "The Effects of Insecurity on Humanitarian Coverage" (Stoddard & al, 2016), it is argued that "National NGOs are always amongst those most present in dangerous areas, together with the ICRC and a few international NGOs".

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Strategies to mitigate these risks are still in their infancy. Local actors often do not have the same protection or support from their government or insurance mechanisms if a security incident takes place (injury, death, long-term disability, etc.). In many cases, medical evacuations abroad are only carried out for international actors, or in some circumstances for national managers of large national institutions: at best, the staff of local NGOs receive medical care from their local health services even though this may depend on their insurance coverage (often non-existent) or their families' resources. Though many international NGOs have put procedures in place to provide families with support when international or national staff die in the field, this is rare among national and local NGOs.

A national partner in DRC explained, "When there are security problems in the field, international staff are evacuated. We stay behind. What is more, we don't have the means to protect ourselves properly or to manage difficulties if there is a problem. It isn't fair".

5. DIRECT FUNDING AND ACCOUNTABILITY

A key constraint for donors (and consequently for humanitarian response) is the size of the projects local NGOs can implement. The approach of many donors to localisation is therefore to work through Country Based Pooled Funds or international agencies. The lack of clarity about what is meant exactly in the Grand Bargain by "local responders" and "as directly as possible" is a source of tension in localisation debates.

Implementing proper administrative, financial and human resources management as well as financial and operational upwards and downwards accountability is already a challenge for developed and sophisticated international NGOs. It is even more complicated for national and local NGOs, as financial competency, staff retention, institutional memory and the ability to access the appropriate hardware and software are often a significant constraint.

It is important that donors clarify the level of risk they are prepared to take responsibility for when working directly or indirectly with national and local institutions. In the post WHS and Grand Bargain era, it is not acceptable that the weight of donor-imposed management and accountability challenges should be borne only by international NGOs.

Assessing local capacities, if possible in a proactive manner, implies that there are systems in place to do this. Some international NGOs have invested heavily in such systems and use them both to assess capacities and develop support and training strategies. Donors need to support the assessment of local organisations and establish a pre-vetting mechanism (like ECHO's Framework Partnership Agreement) to allow fast-track funding to pre-identified and pre-selected stakeholders. Donors need to realise that working with national and local NGOs is not a risk-free endeavour. Local NGOs also need to develop their own institutional budget. Donors should accept that support costs to national and local NGOs can be seen as a direct eligible cost.

6. LINKING RELIEF REHABILITATION AND DEVELOPMENT (LRRD)

Aid localisation is very much related to the Humanitarian-Development nexus and these two work streams of the Grand Bargain should be considered as intrinsically linked. In general, the local actors who deliver humanitarian assistance are often involved in development activities before and after the humanitarian crisis. They often have both humanitarian and development partnerships and projects with different timeframes and different types of funding. However, the economic models involved are radically different and the amounts involved in humanitarian responses are not comparable to the smaller budgets of development programmes.

Local and national NGOs should aim to avoid being dependent on external and institutional funding and think about other types of internal revenue. This is often difficult for international NGOs, but it is even more difficult for local actors who are immersed in contexts with low resources and where “generous private donors” are rare.

In Myanmar, according to Trócaire staff, *“most of the local actors are still very young. Only a few have the capacity to move fast. They are surviving from one project to another with few “longer term” perspectives. As long as there is no core funding for local NGOs, they will remain dependent on their international partners. In contexts like here, local partners are always overloaded by work and have very little time to properly explore their future.”*

In addition, only a few national actors in Myanmar have access to the affected population and can deliver humanitarian aid on a significant scale. As a result, international agencies are very keen to work with them, with the risk that they are pushed to grow too fast. This could lead to power and resources being concentrated among a small number of NGOs and therefore a loss of diversity among CSOs. In addition, injecting more money into

If localisation means that more resources should be directly transferred to local NGOs, how can a “humanitarian bubble” be avoided which would risk making these organisations dependent on external aid and vulnerable to the often brutal rise and fall in humanitarian funding.

local NGOs when public services are underfunded and civil servants are underpaid runs the risk of creating tension between these local actors. Interviewees expressed concern about local NGOs becoming more influential than local government. If budgets grew there would be a risk of unintentionally damaging local civil society.

Alongside aid localisation, development organisations therefore also need to make a more significant commitment to consolidating the rule of law and supporting the administration and public services. This will help to ensure that the state fulfils its responsibilities and that the humanitarian sector is able to empower local civil society and complement it when necessary.

Conclusion

The World Humanitarian Summit, the Grand Bargain and initiatives related to localisation, such as, the Charter4change, Shifting the Power and exchanges in connection with this study, are having a significant influence in raising awareness among local and national actors of their role in humanitarian response. This awareness needs to be followed by tangible and genuine shifts in policy.

Localisation as a concept is gaining ground and is changing narratives and positions not only at the international level, but also at the local level. Local organisations are growing in strength and impact, becoming more organized, informed, and engaged. Yet, the localisation debate remains essentially conceptual and the majority of discussions about meeting the commitments of the Grand Bargain are

currently taking place at the international level, with limited engagement from local actors, and are primarily focused on the issue of funding. The issues outlined herein, in addition to funding, are key to changing current practice. Investment in the sustainability of local actors, beyond a humanitarian crisis, is critical, and this investment is about more than just money.

This research will help to direct the conversation towards practical and operational considerations and

secure concrete shifts in how humanitarian action can be more inclusive and aware of the intractable connectedness of humanitarian and development action.

One year on from the World Humanitarian Summit, the future of the sector depends on how stakeholders manage to meet the commitments of the Grand Bargain and on how local the localisation debate really is.

Trócaire was established in 1973 with a dual mandate is to support the most vulnerable people living in the world's poorest regions, while also raising awareness of injustice and global poverty at home. Today Trócaire works in partnership with local and church organisations, supporting communities in over 20 countries across Africa, Asia, Latin America and the Middle East to bring about lasting change. Trócaire is a member of **Caritas Internationalis**, the Catholic Church's global confederation of 165 development agencies. Trócaire is also a member of **CIDSE, the international alliance of Catholic development agencies**, which works together for global justice. The CIDSE membership has a presence in over 118 countries and territories worldwide: www.trocaire.org

Created in 1993, Groupe URD is an independent institute which specializes in the analysis of practices and the development of policy for the disaster management, humanitarian and post-crisis sectors. Involved in research and evaluations in Asia, Europe, Africa and in the Americas, It approaches situations and aid programmes through multidisciplinary angles, produces a wide range of products from strategic analysis to methodological tools: www.urd.org



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