

Highlights and Ways Forward:

A Synopsis of Grand Bargain Signatories' Achievements and Challenges Implementing their Grand Bargain Workstream 2 Commitments on Localisation¹

The 2017 Grand Bargain signatory reports on Workstream 2 evidence some encouraging progress on meeting the 6 localisation commitments to provide more support and funding tools for national and local responders. But it is slow and much of the progress is in the initial first steps. 4 signatories did not report anything on this workstream.

The 5 Grand Bargain signatories who are also Charter4Change signatories (CAFOD, Catholic Relief Services, Christian Aid, CARE, Oxfam, and the NEAR Network; a Charter for Change endorser and founding member organisation) have analysed these reports. Below they highlight the achievements and challenges and suggest ideas to move forward in truly implementing a more localised humanitarian system where national and local actors are enabled to play a far more central role than at present.

We highlight 5 examples of good practice from each major signatory group that can be replicated and built upon; we then note 5 continuing challenges; finally, we suggest 5 recommendations that might help to move the localisation agenda forward.

5 UN achievements

- WFP, UNICEF and UNHCR are working to harmonise and simplify partner processes under a new UN Partnership Portal;
- OCHA has developed a tip sheet on localisation for clusters and coordination bodies;
- In 2017, UN Women's Peace & Humanitarian Fund (WPHF) allocated \$2 million to women's organizations in Jordan and a Pacific multi-country allocation, supporting the meaningful participation of women and their organisations in humanitarian decision making, as well as their protection against sexual and gender-based violence;
- In 2017 UNDP worked on strengthening national and local governance systems in over 50 different countries within crisis settings and worked with 90 countries to strengthen their legal and regulatory frameworks for Disaster Risk Management;
- WFP invested \$1.1m in capacity-building for National Red Cross/Red Crescent Societies.

5 Donor Achievements

- Sweden: provided multi-year funding to 10 projects for national actor capacity strengthening, community mobilization and community resilience. Although Sweden currently has no direct funding to national actors, in 2018 it plans to identify one agreement modality to directly fund and cooperate with local actors;
- Belgium and Italy amended legislation to enable direct funding to national organisations, and Belgium provided funding of 1.000.000 EUR to the Start Fund in part because of its current work on localisation;
- Several countries, including Belgium, Germany, Norway and Switzerland, reported increases in funding to the OCHA-managed Country Based Pooled Funds, or that they have used their position in the Advisory Boards of Country Based Pooled Funds to advocate for increased funding to local actors, taking into account the importance of capacity-building;
- Several countries including Canada, the US and Denmark have revised their guidance for implementing NGO partners to encourage greater partnership working and tracking of funding. Denmark redesigned its CSO partnership approach to improve local actor engagements through multi-year investments and capacity strengthening. Denmark's redesign is remarkable: The strategic partners are required to work with local/national partners and to explain in detail their approach, based on which the quality and depth of their partnerships was assessed. CSOs working in areas affected by armed conflict and recurrent natural disasters are specifically required to undertake

¹ As analysed by Charter for Change Grand Bargain signatories CAFOD, Catholic Relief Services, Christian Aid, CARE and Oxfam, and the NEAR Network and Charter for Change endorser and founding member organisation).

capacity building of communities, national and local organisations and local authorities, aimed at building local capacity to better prepare for and respond to crises, in favour of vulnerable

and marginalised groups, including women and girls. Denmark has requested multi-year agreements with UN agencies to be reflected in their sub-contractual arrangements with NGO implementing partners, to allow these to plan for a longer time horizon and build their capacities;

- Slovenia requires all its humanitarian fund recipients to work with local and national partners.

5 NGO/RC Movement achievements

- NEAR is establishing 2 pilot national funds;
- Oxfam has appointed a full-time change manager to drive forward the confederation's commitments to localisation across their entire confederation;
- The ACT Alliance's Rapid Response Fund has changed its rules so that only local actors are eligible;
- Save the Children has established a Humanitarian Partnership Working Group and is developing new policies, procedures and tools to support preparedness planning with local actors. It has rolled out a new Humanitarian Partnership Toolkit and recruited Roving Partnership Advisors to deploy to response teams to ensure partnership with national organisations is integrated into response planning;
- In December 2017 the IFRC established the Forecast Based Financing Window to its Disaster Relief Emergency Fund (DREF), to provide eligible National Societies with funding for pre-defined early action, based on forecasts. The mechanism will use a trigger-based decision-making process with no other criteria than the reached trigger for the release of funds.

5 Challenges

- Little progress was reported on investments in national actor core costs, and Grand Bargain signatories need to work harder to find ways to make investments in capacity building and core costs;
- Risk aversion, internal rules, staffing constraints and due diligence concerns are preventing donors from finding it easy to fund national and local actors, and short-term and projectised donor ways of funding make it difficult for agencies to find resources for strengthening local capacity;
- Donors, INGOs and UN agencies are reluctant to relinquish their control over the lion's share of power and resources in the system;
- Data gaps: No donor was able to report on funding via a single intermediary, noting that this would require extensive information from international aid organisations on their sub-contractual arrangements;
- There is little evidence from the reports or anecdotal accounts, from signatory actors that the Grand Bargain is known at a country level or its achievements have filtered down, particularly for Workstream 2.

5 Recommendations

- In view of the fact that several donor government GB signatories have significantly increased their funding of OCHA's Country Based Pooled Funds as a way of increasing funding going to national actors, the Country Based Pooled Funds need to set far more ambitious targets for increasing the overall national NGO share;
- Donors should follow the lead of Denmark, Belgium and Slovenia in asking UN and INGO and Red Cross/Red Crescent funding partners to articulate how they are helping to move forward the Grand Bargain localisation agenda as a condition of continued funding. Donors can incentivise behaviour change in aid organisations. This would reduce the gap between Grand Bargain rhetoric and field reality;
- Donors should develop new funding channels to enable continued support for the Grand Bargain agenda, including localisation;
- All signatories should work to harmonise and simplify due diligence modalities,
- UN, the Red Cross/Red Crescent Movement and INGOs should ensure they pay a fair share of national NGO administrative costs.