

## IFRC Policy Brief

### Localization - what it means and how to achieve it

Local humanitarian action already has an enormous life-saving impact around the world.

It could do even more – in particular, it could be the key to bridging the growing gap (currently over \$15 billion) between humanitarian needs and available funds -- if the international community began to really invest in it.

If we focus our collective efforts on ensuring strong, sustainable, relevant, effective local organizations we will achieve better preparedness, response and recovery in humanitarian settings, improving outcomes for affected populations.

#### 1. What is Localization?

There is no single definition of “localization”. In the Grand Bargain,<sup>1</sup> (a 2016 agreement between some of the largest humanitarian donors and agencies,) signatories committed, under the heading of “more support and finding tools to local and national responders,” to “making principled humanitarian action as local as possible and as international as necessary” while continuing to recognize the vital role of international actors, in particular in situations of armed conflict.<sup>2</sup>

Other actors have developed their own definitions and localization objectives. For example, local actors in the Pacific (government, national societies and local and national NGOs) developed their own definition of localization as “*a process of recognising, respecting and strengthening the independence of leadership and decision making by national actors in humanitarian action, in order to better address the needs of affected populations*”.<sup>3</sup>

**The overall objective of localization is improved humanitarian response**, ensuring access for all in need to fast, quality, impactful and sustainable humanitarian assistance that is efficient, effective and fit for purpose. Local actors are key for this and have distinct strengths, as they often play a crucial role in ensuring early response and access, acceptance, cost effectiveness, and link with development (i.e. reducing the impact of future crises). In order to achieve these benefits, the specific objectives of localization are to increase investment in local actors and to improve partnerships and coordination between international and local responders.

Localization is also about **complementarity**, which looks to a balance between local and international action in order to maximise the comparative advantages of both, and increase effectiveness of the humanitarian response in a given context. International humanitarian action remains extremely important. However, IFRC feels there needs to be far greater recognition of the role of local actors. The Grand Bargain offers us a way forward on this issue.

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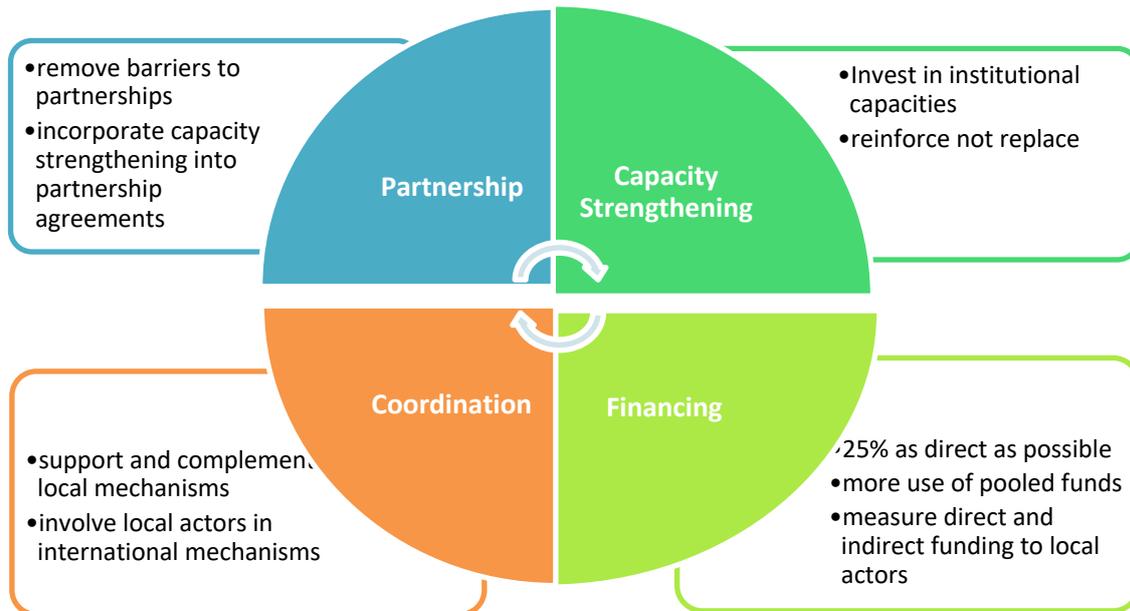
<sup>1</sup> The text of the Grand Bargain is available at

[https://reliefweb.int/sites/reliefweb.int/files/resources/Grand\\_Bargain\\_final\\_22\\_May\\_FINAL-2.pdf](https://reliefweb.int/sites/reliefweb.int/files/resources/Grand_Bargain_final_22_May_FINAL-2.pdf).

<sup>2</sup> While they have not sought to define “localization”, Grand Bargain signatories have settled on a definition of local actors for purposes of measuring their financing commitments. This includes governmental authorities at the national and local levels, and, for non-state actors, “organizations engaged in relief that are headquartered and operating in their own aid recipient country and which are not affiliated to an international NGO.” For more detail, see the Grand Bargain Localization Workstream document entitled “Identified categories for tracking funding flows” available at <https://interagencystandingcommittee.org/grand-bargain-hosted-iasc/documents/categories-tracking-funding-flows>.

<sup>3</sup> Australian Red Cross, *Going Local: Achieving a more appropriate and fit-for-purpose humanitarian ecosystem in the Pacific*, <https://www.redcross.org.au/getmedia/fa37f8eb-51e7-4ecd-ba2f-d1587574d6d5/ARC-Localisation-report-Electronic-301017.pdf.aspx>, October 2017

Grand Bargain signatories made **Localization-focussed commitments** in four main areas, as shown in the illustration below:



IFRC co-convenes the **Localization Workstream of the Grand Bargain**, alongside the Swiss government. In this role, it has organized consultations and engaged with a wide range of stakeholders on how localization can and should take place and what it should look like. In some circumstances, implementing these commitments will require an updating of existing policies, standards and approaches. The Workstream plans to develop guidance on implementation of the commitments. From the IFRC perspective, there are already some key lessons learned and recommendations, and these are outlined below.

## 2. Why Localization?

**Local actors have clear areas of strength leading to an improved humanitarian response:**

- Local actors are fast because they are close.** When the strongest earthquake ever to impact Ecuador struck, hundreds of Ecuador Red Cross volunteers located in and around the affected communities began responding just minutes afterwards, with search and rescue, first aid, psycho-social and other types of aid.
- Local actors often have access that no international actor can achieve.** While humanitarian access has been extremely constrained for all actors in Syria, the Syrian Arab Crescent has had much more than most. In a different setting after the earthquake in Nepal, UN agencies similarly called on the Nepal Red Cross to manage ‘last mile’ distribution of essential supplies into hard to reach places.
- Local actors have a strong local understanding of local circumstances, politics and culture.** When Ebola swept through Western Africa, families faced the agony not only of a terrifying wave of deaths, but the spectre of “space-suited” foreigners telling them they were no longer allowed to conduct traditional funeral rites, involving touching the bodies. Over 10,000 Red Cross



volunteers in Guinea, Sierra Leone and Liberia engaged their communities in a respectful, culturally appropriate way to ensure safe and dignified burials. This is further facilitated by strong existing local networks.

- **Local actors are in a strong position to link preparedness and response.** In Gabon, as tensions rose connected with the 2016 presidential elections, the National Society held refresher courses on first aid, emergency response, and communications as well as simulation exercises for its volunteers. These were put directly to use after violence broke out. Local actors also remain long after the international actors have gone and can play a key role in both recovery and longer-term achievement of key sustainable development goals. For example, while ICRC has been phasing out of various locations in Afghanistan, the Afghan Red Crescent Society remains.
- Local humanitarian action – particularly when led by volunteers – is generally **cost effective** when compared to efforts directly led by international personnel, remunerated at international rates.

### 3. Implementing localization capacity strengthening commitments:

#### Grand Bargain Commitments:

*Increase and support multi-year investment in the institutional capacities of local and national responders, including preparedness, response and coordination capacities, especially in fragile contexts and where communities are vulnerable to armed conflicts, disasters, recurrent outbreaks and the effects of climate change. We should achieve this through collaboration with development partners and incorporate capacity strengthening in partnership agreements.*

#### In order to be successful, capacity strengthening efforts should:

- **Prioritize:** It is critical that capacity investment be made in national and local governments in disaster prone contexts, in particular to national disaster management agencies, civil-protection authorities, and local governments. Civil society actors in these countries are also crucial for reaching inaccessible populations and must also be included.
- **Have appropriate timing:** This investment should be targeted at local actors in high-risk contexts, well **before a disaster or emergency strikes**, should be part of an overall strategy to reduce and manage risks at the national level, and should not disappear after the emergency phase ends.
- **Support the organizational development of local and national responders**, including for financial management, domestic resource mobilization, project management, accountability and reporting, community engagement and good governance.
- **Ensure that financing during emergencies also looks to support long-term sustainability:** rapid scale up or down of activities has significant costs for local and national actors. Funds need to come not only during the emergency, but before and afterwards, promoting longer term sustainability.
- **Invest in local and national responders with sustained attention, time, and energy:** It is a long-term effort that will require multi-year funding that is flexible enough to adapt to the changing needs of an organization and its environment. We must move to a system that encourages true partnership between humanitarian organizations and implementing partners. **Long term core funding** is a vital component of this.
- **Ensure appropriate internal controls:** Effective local action can only happen if there is a supportive **enabling environment** for local action, including adequately strong internal



mechanisms among grantees to ensure the **responsible use of international funds as well as transparency**, including safeguards against the diversion of funds to **corrupt or other non-humanitarian purposes**.

#### 4. Implementing localization partnership commitments

##### Grand Bargain Commitments:

*[E]engage with local and national responders in a spirit of partnership and aim to reinforce rather than replace local and national capacities.*

*[I]ncorporate capacity strengthening in partnership agreements*

- **Shift from a sub-contracting to a partnership** approach between international and local/ national humanitarian actors.
- **Listen to local and national actors:** This is about listening not only to the needs expressed by local actors, but to their proposed solutions to address these needs.

**Local designed solutions can be more durable:** A Pacific based humanitarian organisation required capacity development for its finance team. The partner international humanitarian organisation looked to its deployment register to source international finance expertise for three months. The Pacific based humanitarian organisation instead suggested training by an accountant in country, who could train in the national language and be on call for a whole year to provide support for roughly the same cost.

See: Australian Red Cross Research in the Pacific

#### 5. Implementing localization funding commitments

##### Grand Bargain Commitments:

*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.*

*Understand better and work to remove or reduce barriers that prevent organisations and donors from partnering with local and national responders in order to lessen their administrative burden.*

*Develop, with the Inter-Agency Standing Committee (IASC), and apply a 'localisation' marker to measure direct and indirect funding to local and national responders.*

*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.*

##### How donors (including intermediaries and pooled funds) can implement the funding obligations:

- **Increase the efficiency of funding** to local and national actors. Local actors have repeatedly called for flexible, multiyear funding (as called for in other sections of the Grand Bargain) which **includes overheads, capacity building and support for monitoring and evaluation**.

- **Streamline the transaction chain**, to minimize the number of layers (note that sometimes there can be multiple intermediaries between donors and implementers, increasing costs and complicating information flows) and ensure that each transaction layer has a clear added value.
- **Reduce legislative barriers to funding local actors:** Ensure legislation allows direct budget support to local responders, including national disaster response agencies. In crisis contexts where anti-terrorism legislation applies, promote humanitarian action exemptions and appropriate risk mitigation measures that enable partnerships with national humanitarian actors.
- **Address informal barriers to funding:** Other barriers can include language requirements and complex processes. For example, very few donors funding humanitarian action in Syria accept grant applications in Arabic, but some have made efforts to allow this, enabling more local actors to obtain funding.
- **Develop their own ability to financially support local actors directly:** ensure capacity to interact with the humanitarian community, analyse the context, and administer grants to local actors.
- **Invest where you can already trust:** There are existing local and national organizations, including many National Red Cross and Red Crescent Societies, that have the capacity for financial management and reporting to international standards. Such organizations should be identified receive direct funding.
- **Share the risk:** Working with any actor, including local actors, involves a certain level of risk. Unfortunately breaches of standards, principles and codes of conduct will always happen, the key question is whether efforts are taken to prevent and respond efficiently and appropriately to incidents that do occur. If donors support increased funding to local actors, but are unwilling to share the risk should anything go wrong, this disincentives investment in local actors and is counterproductive. Risks need to be shared amongst all actors.
- **Support pooled funds that are accessible to local actors:** CBPFs, the IFRC's DREF, the Movement's new National Society Investment Alliance, and other pooled funds are a useful tool for donors to provide funds to local actors they might otherwise not encounter. There are some good practices around ensuring access for local actors – such as local actor specific windows, capacity building windows, specific support for applications, etc. - but these should be replicated across funds.



## 6. Implementing localization coordination commitments

### Grand Bargain Commitments:

*Support and complement national coordination mechanisms where they exist and include local and national responders in international coordination mechanisms as appropriate and in keeping with humanitarian principles.*

**OCHA, Humanitarian Country Teams, Clusters, and other humanitarian actors can do much more to engage local actors in coordination**, noting the importance of promoting a **flexible humanitarian ecosystem** which is inclusive of a broad range of actors and strength.

- Local actors can be essential players in effective coordination mechanisms, **ensuring necessary information, as well as gathering local voices and channelling them to key decision-making bodies.**
- International actors can do more to **encourage and support governments to develop necessary laws, rules and procedures, as described in the International Disaster Law (IDRL) Guidelines,** to ensure that they have the capacity to take a primary role in coordination, facilitation and oversight of international disaster assistance. This is indispensable if governments are to be in the driver's seat.
- **Work with government counterparts in appropriate contexts to ensure that they are ready to co-lead clusters.** For example, the Global Shelter cluster includes (and pays for) relevant government personnel in its annual coordination training.
- For greater localisation in coordination, there needs to be much **greater investment in preparedness so that contextual processes can be agreed and understood; capacity built; a sense of overall ownership created** amongst local and national actors and a recognition of the benefits of coordination leading to a better response. The IASC Shelter Cluster for example has seen successful engagement with local actors in its country level clusters which are permanently 'activated' for instance Nepal, Bangladesh and the Pacific. This has allowed for national staff to be trained up and for meaningful engagement with the government, local and national actors. Consequently, there is a sense of ownership of the cluster and an understanding of the benefits of coordination.
- Practical steps also need to be taken to improve the representation and contribution of local and national actors in international coordination structures. Language is often a challenge, so **Bey documents should be accessible in the local language/s.**
- **Decentralised coordination hubs** – working with other agencies and local governments to co-lead sub national hubs, leads to a higher level of contextual coordination and a more open environment for local actors to engage.