

The power structure of localisation

Recommendations form HARP-F Partner Consultations in October 2021.

‘Localisation of aid does not just happen when international organisations and donors find themselves unable to access populations in need and have to rely on national and local organisations to deliver assistance. It requires planning, systems, checks and balances, and above all, trust’ (HARP-F).

Our partners have been spearheading a locally-led humanitarian response in Myanmar’s protracted crisis through armed conflict, the COVID-19 pandemic and a military coup. In October, we held a series of consultations to hear directly from them what support, processes, and tools they require to sustain high quality, locally-led humanitarian action once HARP-F grants close.

Their message is clear: **national organisations will require not only increased direct access to donors and to quality funding, but a shift in the power structure of localisation.**

They expressed a clear ambition to lead the response, at all stages – not just as programme implementers, but from the decision-making point. And they have demonstrated that they are well placed to do so provided donors, intermediaries and INGOs create an enabling environment, and build an effective support structure. From multi-year, predictable funding, support for stronger systems, ongoing capacity enhancement, MEAL systems suited to Myanmar’s context, and stronger representation in humanitarian coordination mechanisms, they pinpointed the changes that are needed to directly empower local CSOs to lead humanitarian action. Their four main recommendations are detailed below.

These insights on the localisation of aid, at a time when localisation is fundamental for effective response in Myanmar, are a unique opportunity to advance the Grand Bargain 2.0 renewed focus on localisation and quality funding in a context that badly needs it.

I. Funding

‘Donors must also accept that national humanitarian organisations typically have far less access to essential unrestricted core funding than many INGOs. These funds are essential to build and sustain institutional capacity in core functions that any organisation needs to deliver the best results’. (HARP-F Remote Partnerships review¹).

Money is power, and what type of funds are allocated, to whom, and under what conditions directly impacts national organisations’ ability to lead the response. At present, a large amount of the burden of delivery falls on national organisations funded through intermediaries, particularly so since COVID and post-coup. And that money is largely earmarked by donors, short term, and project based, leaving no room for flexibility when circumstances change. This hinders national organisations’ ability to plan ahead, respond to changing needs and develop their capacity, and risks sabotaging localisation.

To achieve or exceed the Grand Bargain’s localisation targets, national organisations must receive an increasingly large proportion of quality funding – defined as multiyear (18 to 36 months), predictable and flexible, with intermediaries receiving and increasingly smaller share.

¹ HARP-F APPROACH TO REMOTE PARTNERSHIP IN MYANMAR - Final evaluation report:
<https://www.harfacility.com/resources/harp-f-approach-remote-partnership-myanmar-evaluat/>

- That money should be flexible, to enable national organisations to rapidly shift allocations and respond to new emergencies. For example, HARP-F Remote Partnerships review² recommended to continue HARP-F’s practice of including a flexible and unallocated budget line for new emergency response in each partner budget. This enabled them to quickly respond to an increase in fighting in Rakhine, the COVID-19 pandemic and the coup.
- It should cover not just project activities but also funding for organisational growth. If donors expect national organizations to perform the intermediary role in future, after HARP-F closes, they must accept the need to fund adequate capacity, above and beyond that needed for the direct delivery of project outputs. Partners particularly flagged the need for core funding for MEAL activities, which are otherwise time-bound to a grant or cannot be fully supported, thus limiting what can be monitored and learned from operations.

Donors should :

- Provide multiyear funding, increasingly to national organisations, not intermediaries
- In addition, provide response emergency funding
- Allocate an increasing percentage of unrestricted funds for national organisations to provide more flexibility and give national organisations room to pivot and respond to changes in the local context.
- Fund core costs of national partners (10%) – for organisational capacity development and retention. These funds contribute to and, therefore, enhance the essential capacities organisations need to both deliver and manage risk effectively.
- Demand greater accountability from partners, backed up by technical and organisational capacity building support required for national partners to operate at this level.

2. Due diligence and risk mitigation

Donors’ due diligence requirements to access direct funding, pertaining to governance and control mechanisms, ability to deliver, financial stability and downstream partners —are incompatible with the systems, policies and processes of small national organisations. Increasingly in Myanmar, these requirements also risk becoming unethical in the current operating context. For example, requiring that a national organisation in Myanmar be officially registered to access direct funding from donors and intermediaries empowers local and national authorities to control national organisations. Due diligence procedures must be adapted to context and operational realities, and based on formal, transparent and objective criteria to assess how much money partners can absorb and what constraints they are facing in Myanmar’s post-coup context. This is not about giving partner’s ‘get-out clauses’ when it comes to compliance, but rather ensuring that requirements are reasonable and that support is available when partners reasonably need to improve their compliance.

Similarly, national organisations shoulder a disproportionate level of risk associated with operating in a protracted crisis. Communication around risk appetites needs to be more transparent, with donors being clear on their red lines and partners stating what they can/cannot/will/will not do. Regular and honest communication is key in this respect. The risk must be more equitably shared between donors and national organisations and risk management approaches must be adapted to specific partner requirements.

² Ibid.

Donors should:

- Adapt due diligence requirements, where needed, to be attainable for national organisations and/or provide national organisations with additional support to be able to fulfil requirements. Official registration should not be a requirement for national organisations to access direct funding as it empowers local and national authorities to control national organisations.
- Find ways of communicating, sharing and adapting risk and provide national organisations with effective risk awareness training for staff and beneficiaries.

Donors and intermediaries should:

- Give clear guidance to national organisations on what is expected of their relationship with the current national authorities, particularly when it comes to securing humanitarian access.

3. Capacity building and training

‘Training, hand-on support and mentoring: this is the organisation strengthening support our small CSO partners consider the most useful. But if larger organisations are serious about expanding their capacity to lead the response, they should provide also support for hiring and retaining skilled staff, writing funding proposals and use the Myanmar language rather than English for reporting’ (HARP-F Partner Consultations).

It is not all about the money: without the right structures in place to manage an increased access to quality funding, national organisations can be set up to fail. HARP-F has accompanied funding with training, tailored capacity enhancement activities, technical assistance and mentoring. This has helped some national organisations evolve to a point where they can receive direct financing, but many more continue to need foundational support, while those who have developed greater capacities will need a higher level of accompaniment to deliver on their direct donor relationships.

A sustained, locally-led response requires that local organisations strengthen their capacity to manage and adopt the operating systems – project cycle management, procurement, financial management and safeguarding – to meet the highest standards of delivery even as the conflict, access, political and/or health situation deteriorate. They told us that ongoing technical assistance, mentoring, one-to-one practical support, as well as coordinated capacity building and training linked to their specific capacity priorities are all needed.

Multiple international actors provide training but these should be tailored to the needs identified by national organisations, and be coordinated to avoid duplication. HARP-F’s upcoming online self-learning training platform equipping new learners with the basic skills needed for on-the-ground delivery of emergency response actions in Myanmar language and using Myanmar scenarios is a resource that should be carried forward.

Donors and humanitarian agencies should:

- Provide training and capacity building focusing on quality data analysis, evidence based adaptive programming, proposal writing, risk management, beneficiary feedback mechanisms, implementation of protection from sexual exploitation and abuse(PSEA)/safeguarding policies and issue-specific training (e.g., WASH, Disaster risk reduction).
- Coordinate the capacity building and training support across partners to avoid duplication.
- Extend the technical advisory support from humanitarian clusters and CASH working group to national organisations.

- Take ownership of HARP-F training and learning resources, ensure access to, maintain and expand the content of the HARP-F online training platform (in Myanmar language) and knowledge library, as well as its MEAL database.

4. Leadership and participation

‘Regarding representation of local and national organizations (...), we need to work in advocacy, participation, and decision making for smaller organisations. Real advocacy is needed for creating an environment that allows working-level coordination structure/platforms as part of the humanitarian response sector in Myanmar’ (HARP-F Partner Consultations report).

A locally-led humanitarian response goes beyond programme implementation: it starts with national organisations having a seat at the table in humanitarian decision-making and coordination structures. Yet, national organisations are often excluded from these discussions on localisation which tend to take place at the international level and between international actors, or with inadequate representation of national partners. National organisations demand a conducive environment for their effective participation in those structures, enabling them to discuss strategy, engage in direct communication with donors and advocacy. Their knowledge should inform decision throughout a project cycle, not just be used as reinforcing evidence or for contextual updates.

International organisations should:

- Open opportunities to directly communicate with donors and be involved in the decision-making process at all steps: strategic planning, proposal writing, budget negotiations, adaptive programming, responses to the closure of civil society spaces and relationships with the current national administration.
- Where small organisations do not have the capacity to take on a national coordination mandate, facilitate local-to-local coordination, collaboration, support, sharing and learning to build local humanitarian networks and multiply the impact and value for money of the grants.
- Systematically use Myanmar language for proposals, reports, and coordination processes
- Provide IT support to national organisations to enhance participation in online fora.

Donors should:

- Increase direct funding to national organisations, which in itself opens up opportunities for them to increase their leadership and coordination presence.
- Provide channels to directly amplify the voices, challenges, and solutions of small national organisations without intermediaries.