



# Executive summary

Unfulfilled Promises: Addressing the gap between commitments and practice in locally led humanitarian action



This report is a comprehensive analysis of the concept of locally led humanitarian action. It explores why locally led humanitarian action is central to reach the growing number of people in need worldwide and to create a humanitarian system that is more effective and just. It includes an evaluation of the progress made by the world's top donor governments, the top UN agencies and the largest international NGOs towards fulfilling their commitments to support local humanitarian organisations. To assess this, we developed the first ever index to measure how the leading humanitarian agencies and donors are living up to their promises. The report considers which of these donors and international agencies are frontrunners and which ones are lagging behind, in particular from the perspectives of local organisations themselves. Concrete perspectives on the challenges and opportunities faced by local humanitarian organisations are included through interviews with local organisations in Lebanon and Colombia. The report was commissioned by European members of the Caritas confederation, in collaboration with SNPS (the Caritas national organisation in Colombia) and Caritas Lebanon (the Caritas national organisation in Lebanon), and conducted by the Centre for Humanitarian Action.

## Why is locally led humanitarian action central for effective humanitarian aid and saving lives?

Local humanitarian actors are organisations engaged in relief that are headquartered and operating in their own aid recipient country and which are not affiliated to an international NGO as well as “state authorities of the affected aid recipient country engaged in relief, whether at the local or national level”. According to the same definition, “a local actor is not considered to be affiliated [to an international NGO] merely because it is part of a network, confederation or alliance wherein it maintains independent fundraising and governance systems”.

In humanitarian crises, there are different actors who provide life-saving assistance, including international organisations that enter the country or region to provide help and local organisations that are already located in the area experiencing the disaster. Local humanitarian organisations are often better placed to respond to crises than international ones, as they have a better understanding of the local context and are known and trusted by the affected communities. One analysis estimates that “local intermediaries could deliver programming that is 32% more cost efficient than international intermediaries, by stripping out inflated international overhead and salary costs”.<sup>1</sup> In addition to the increased effectiveness of local organisations, values of self-determination and justice are also an

important consideration, as local communities and organisations should be the ones to determine their priorities and values, as opposed to these decisions being made by outside entities.

<sup>1</sup> Cabot Venton et al. 2022

In recent years, there have been several international policies and initiatives aiming at fostering locally led humanitarian action, the most prominent being the Grand Bargain. Through the Grand Bargain, government donors, UN agencies and international NGOs committed to provide “greater support [...] for the leadership, delivery and capacity of local responders and the participation of affected communities in addressing humanitarian needs” (IASC 2021). These priority commitments include the objective of allocating 25% of funding as directly as possible to local humanitarian organisations, as well as transferring overhead costs to them, integrating them into the development and design of projects and guaranteeing their participation in coordination fora and meetings with donors.

Despite these commitments, local organisations continue to face significant barriers. Some of these barriers include limited access to funding, extensive administrative requirements and lack of recognition and support from international actors.

## Are donor governments and aid agencies living up to the localisation commitments?

In light of the slow progress for years in these reform ambitions, this report presents the first ever index developed for making top donors and aid agencies accountable to their promises and to assess the international humanitarian players’ organisational policies and practices with respect to locally led humanitarian action. The index assesses the ten largest donor governments, five largest UN agencies and five largest international non-governmental organisations (INGOs) (based on their humanitarian expenditure). Two surveys were designed to gather the factual reporting and self-perception of the donor governments, UN agencies and INGOs, with respect to strengthening locally led humanitarian action. A third survey was disseminated to local actors to provide feedback on these 20 international players regarding the key indicators agreed upon by all parties in international fora.

The index is based accordingly on these six indicators: (1) commitment to localisation, (2) partnerships with local organisations, (3) capacity building of local organisations, (4) funding to local organisations, (5) transparency and accountability and (6) leadership and coordination. Scores for each survey and perspective have been summarised in a sub-ranking for the local assessment, the factual report and the self-assessment with 0 to a maximum of 100 points. For the overall score, these three perspectives were weighted differently, namely the local actors’ perception with 50%, the factual reporting with 30% and the self-perception with 20% of the overall score.

Overall ranking by government donors			Self-perception		Factual reporting		Local actors' perception	
No.	Actor	Score (out of 100)	Score* (rank)		Score* (rank)		Score* (rank)	
1	Germany	60	63	(2)	50	(1)	64	(1)
2	European Commission	57	58	(4)	46	(2)	63	(2)
3	Canada	56	74	(1)	39	(3)	59	(7)
4	United States	53	62	(3)	33	(5)	61	(4)
5	United Kingdom	50	52	(6)	36	(4)	58	(8)
6	Sweden	47	55	(5)	20	(6)	60	(6)
7	Norway	44	43	(7)	15	(7)	62	(3)
8	Netherlands		–**		–**		61	(4)
9	Japan		–**		–**		55	(9)
10	France		–**		–**		47	(10)

\* out of 100 / \*\* Data not submitted

#### Some key takeaways from government donors:

- Only three<sup>2</sup> out of the ten largest government donors were able to say how much of their funding reaches local organisations through a maximum of one intermediary organisation.
- Additionally, none of these donors except France (reported in Grand Bargain self-report) met the target of passing at least 25% of funding as directly as possible to local actors.
- Only one donor has a policy that enables local organisations to receive funding for daily operating costs (as opposed to specific project costs).
- Only one donor has a specific policy on strengthening the capacity of local organisations, while another one reported requiring intermediary NGOs to outline the needs and requests of local organisations as well as the way to address them.
- While all seven donors meet local organisations through their **projects and other kinds of engagements**, three reported hosting **dialogue events** where local organisations could participate meaningfully.
- Even the top performing donors do not score more than a maximum of 60 out of 100 points, indicating a lot of room for improvement.

<sup>2</sup> One of the donors that was not able to provide this aggregated figure was able to provide only the figure reflecting the share of humanitarian funding that goes to local organisations without any intermediary organisations. As this figure was less than 1%, having the aggregated figure would be essential to fully understand how much funding this donor passes to local organisations.

Overall ranking UN agencies and INGOs			Self-perception		Factual reporting		Local actors' perception	
No.	Actor	Score (out of 100)	Score* (rank)		Score* (rank)		Score* (rank)	
1	UNHCR	66	77	(2)	81	(1)	53	(2)
2	WFP	64	78	(1)	76	(2)	51	(4)
3	UNICEF	63	75	(3)	72	(3)	53	(2)
4	International Rescue Committee	52	55	(6)	56	(4)	48	(7)
5	World Vision International	51	73	(4)	37	(8)	51	(4)
6	Save the Children	50	44	(8)	43	(7)	57	(1)
7	WHO	46	45	(7)	44	(6)	48	(7)
7	Norwegian Refugee Council	46	58	(5)	35	(9)	47	(9)
9	Médecins Sans Frontières	43	36	(10)	49	(5)	42	(10)
10	UNRWA	33	40	(9)	0	(10)	49	(6)

\* out of 100

#### Some key takeaways from UN agencies and INGOs:

- In comparison to the government donors, the availability of international organisations' data is better, although still unsatisfactory.
- Out of the five INGOs, two were not able to provide the data on the share of funding that goes to local organisations, as opposed to the five UN agencies that all had clear data.
- Responses varied considerably from 0% to 5% to more than 40% of funding going to local organisations through a maximum of one intermediary organisation.
- Regarding the percentage of funding for overhead costs (daily operating costs separate from project funding), only 5 reported to have a policy with funding percentages shared with partners ranging from 4% to 10%.
- Eight organisations have partnerships with local organisations that include **strategic long-term capacity strengthening** that goes beyond specific project cycles.
- Even the best performing actors scored a maximum of 66 out of 100 points, and only a maximum of 57 points from local organisations' perspectives leaving substantial room for improvement.

The index shows that there is a gap between policy and practice, with many organisations having policies and commitments on localisation but weak implementation and accountability mechanisms. Data availability, transparency and tracking of funding are not where they should be for most players, especially with respect to funding issues.

While no Caritas organisation is among the top 5 INGOs, Catholic Relief Services (CRS), the largest Caritas member in the global confederation, was profiled to ensure transparency. Based on currently available data, CRS provided \$79M in humanitarian funding to local/national responders in 2022 (12% out of a total of \$655.3M emergency response expenses).



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## Local organisation's perspectives – Case studies from Lebanon and Colombia

In Lebanon, the local organisations feel that they are not being adequately supported by the international players and that, in some cases, they are not seen as equal partners. The local organisations report that they are often excluded from decision-making processes, that there is no transparency and that their expertise is not fully recognised. They also report that the international players often impose their own priorities and agendas rather than responding to the needs of the affected communities. However, there have been some positive developments, such as increased recognition of the local organisations' importance and efforts to build more equitable partnerships.

**“[...] But for the population that is going to stay here and that is going to start a new life [...] you have to have a shelter, you have to provide them with education, and what worries us is that we are being left alone.”**

**– Interviewee from Colombia who assists people from Venezuela**

down determination of priorities. The particular challenges faced by faith-based and women-led organisations are highlighted by interviewees, who acutely feel the power dynamic and that they have to “adjust” their identity to appease donors, despite the fact that this same identity often grants them legitimacy towards beneficiaries.

In Colombia, some local actors report that they have been able to build strong partnerships with international players and that they have been able to influence decision-making processes, noting that being in a consortium type of partnership with international organisations allows for an equitable and transparent dynamic. However, the report also finds that there are still significant challenges, such as limited access to funding and top-

Overall, local organisations in both Lebanon and Colombia confirm the findings of the index – that there is still a long way to go towards the realisation of the localisation agenda. They emphasise that they need more flexible and long-term funding, transparency, recognition of their expertise and active participation in coordination mechanisms. They also report that there needs to be more effort to build more equitable partnerships and to ensure that the needs of the affected communities are at the centre of humanitarian action.

## Conclusion and recommendations

There is limited progress by all international humanitarian organisations with respect to supporting locally led humanitarian action and in fulfilling their commitments. Therefore, there is a substantial need for them to step up their work to facilitate a change in the global humanitarian system to be more just, efficient and effective.

### Caritas partners propose the following recommendations to donors, UN agencies and INGOs:

1. Donors, UN agencies and INGOs should fulfil their long-standing promises and track the amount and quality of funding provided to local organisations through a maximum of one intermediary organisation and create a concrete plan to meet the 25% target.
2. Donors, UN agencies and INGOs should commit to developing organisational policies that address covering overhead costs of local organisations and commit a dedicated portion of funding to the development of local organisational capacity and sustainability.
3. Donors, UN agencies and INGOs should actively facilitate the leadership of local organisations in coordination forums, allowing them to set the agenda and priorities in humanitarian action.
4. Donors should create more flexible funding modalities that allow for extension or amendment, based on complex operational circumstances by local as well as international organisations.
5. Donors should take on more of the financial and security risk that is currently shouldered by local organisations.



**“[...] the local has to be eagerly embraced, for it possesses something that the global does not: it is capable of being a leaven, of bringing enrichment, of sparking mechanisms of subsidiarity. ”**

*Pope Francis (Fratelli Tutti, 142)*



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