

Beyond Barriers

MALAWI CONTEXT REPORT



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Acronyms

ACPC	Area Civil Protection Committee
CBO	Community-based organization
CCPC	City Civil Protection Committee
CONGOMA	Council for Non-governmental Organizations in Malawi
DCPC	District Civil Protection Committee
DoDMA	Department of Disaster Management Affairs
DRM	Disaster Risk Management
DRMC	Disaster Risk Management Committees
HCT	Humanitarian Country Team
ICR	Indirect cost recovery
IDPs	Internally displaced person
IFAD	International Fund for Agricultural Development
INGO	International Non-Governmental Organisation
IPC	Integrated Food Security Phase Classification
KII	Key informant interview
L/NGO	Local and National Non-Governmental Organizations
M&E	Monitoring and Evaluation
MCPC	Municipal Civil Protection Committee
MOU	Memorandum of Understanding
NGORA	NGO Regulatory Authority
T/A	Traditional Authority
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
VCPC	Village Civil Protection Committee
WFP	World Food Programme
WHO	World Health Organization



EXECUTIVE SUMMARY

Photo: Ed Ram/Concern Worldwide.

The conversation on localization of humanitarian aid, accelerated by the World Humanitarian Summit and Grand Bargain in 2016, has been widespread and championed, yet systemic shift toward a more locally-led response has been minimal. The Beyond Barriers project, led by Concern Worldwide in partnership with local researchers and with funding from USAID’s Bureau for Humanitarian Assistance (BHA), was undertaken with the intent to diagnose the enduring barriers to localization and propose actionable and operational solutions. The Beyond Barriers project covered five country case studies (Malawi, Bangladesh, Northwest Syria (NWS), Democratic Republic of the Congo (DRC), and Somalia) and consisted of a mixed methods approach to data collection, including stakeholder workshops, key informant interviews (KII), and focus group discussions. This report covers the results of the study in Malawi.

Country Context

Humanitarian crises in Malawi are largely related to extreme weather and climate events, with several cyclones and tropical storms leading to flooding, food insecurity, and internal displacement in the past several years. The Malawi government leads humanitarian responses through the Department of Disaster Management Affairs and is complimented by an extensive local government system through the Disaster Risk Management Committees. The Non-governmental Organizations Act of 2022 was the clearest push from the government towards localization, mandating that international organizations partner with local actors, among other conditions to push for local inclusion and financing. Overall, the participation of local actors in humanitarian coordination bodies and clusters remains low, despite the presence of NGO coordination bodies.

Power in Partnership

The first thematic area of this report examines issues of power within the humanitarian sector and humanitarian partnerships in Malawi, and considers factors that underpin equitable partnerships. In terms of power in partnership barriers to localization, workshop participants highlighted the tendency of international actors to do direct implementation, a lack of trust between international and local actors, and an excessive focus on risk on the part of international actors. These were echoed widely in KIIs as well.

Stakeholders came to an overall consensus about how power would be shared in an ideal humanitarian system in Malawi; this ideal can be described as more or less the exact inverse of the current distribution of power in the system. Specifically, stakeholders agreed that the most power should rest in the hands of communities, L/NNGOs, and local governments, as opposed to international actors (donors, INGOs, and the UN) and national government. Donors and UN agencies are seen to wield a very large influence in Malawi due to their control of financial resources.

The role of international actors is a topic that attracts rich and varied opinions among stakeholders and is somewhat contentious. L/NNGOs strongly believe that international actors are often resistant to change, particularly in relation to their own roles in the humanitarian system. International actors expressed diverse views on this point, with most INGOs acknowledging the need for a “paradigm shift” while at the same time citing widely varying levels of progress on localization in their organizations. The UN is typically viewed as the most change averse international actor in the sector. There was consensus around the need for a transition towards L/NNGOs assuming more power, with INGOs moving away from implementation towards technical assistance and advocacy.

Trust is seen as a salient issue and a major impediment to progress on localization in Malawi. Mistrust was reported in many different directions, most notably: a significant lack of trust from donors towards L/NNGOs and few opportunities for L/NNGOs to build that trust; L/NNGOs struggling to gain the trust of international partners due to lack of experience with major funding; and communities generally reporting trust of INGOs while also observing that a lack of involvement of communities can easily undermine this trust. Governance and organizational management were seen as means through which L/NNGOs can improve others’ trust in their abilities.

Varying types of risk, and perhaps even more critically, perceptions of risk, play a major role in impeding localization. Stakeholders converged around financial risks as the most salient type of risk associated with operating in Malawi, noting that even small doubts over financial management can cause donors to balk and that perceptions of corruption are often just as damaging as actual corruption. Local organizations and donors shared a view of Malawian organizations being plagued by “founder syndrome” whereby powerful founders supplant healthy organizational functions and can create conflicts of interest. Stakeholders held different views about who assumes the most reputational risk, with donors and INGOs often citing pressures from their headquarters. Funding through intermediaries is still seen as a viable way to mitigate risk, though stakeholders also agreed on a need to support L/NNGOs with risk management and compliance as a long-term solution to this challenge.

Finally, stakeholders shared important insights on the factors that support or hinder the establishment of equitable partnerships in the sector. An inherent power dynamic between international and local organizations, driven by the tendency of international organizations to control funding streams, was acknowledged. The project design phase was seen as the most crucial time for co-designing projects and proposals in a way that incorporates the unique skills of each partner and establishes transparent parameters for partnership. Consistent and open communication was also viewed as a crucial enabling factor. Overall, donors are regarded as having a critical role to play in incentivizing the implementation of equitable practices by INGOs and others partnering with L/NNGOs.

Funding

Currently, the predominate funding models observed in Malawi’s humanitarian sector can be seen as major impediments to localization of humanitarian response in the country. Workshop participants identified intermediary funding, competition between L/NNGOs and INGOs, short-term funding, and minimal contact between L/NNGOs and donors as the top funding-related barriers, and these themes were frequently mentioned throughout Key Informant Interviews (KIIs) as well. Direct funding of L/NNGOs in Malawi remains very minimal; only 5% of funding for Malawi’s 2023 Cholera and Flash Flood Appeal went to L/NNGOs, according to UNOCHA. Instead, humanitarian funding in Malawi is overwhelmingly routed through international intermediary entities, primarily INGOs and UN agencies. This is driven by donors’ concerns about the ability of L/NNGOs to manage direct funding, as well as donors’ preference for providing large grants instead of more numerous, smaller grants due to the greater administrative burden of the latter.

In addition to receiving most funding, INGOs and UN agencies are typically the only entities with direct communication to donors, further perpetuating L/NNGOs’ dependence on these organizations and meaning that L/NNGOs do not typically have knowledge of funding opportunities on their own. Geographical constraints also play a role in this, with many donors rarely leaving Lilongwe to interact with local organizations.

There was widespread acknowledgement among different stakeholders including donors and INGOs of the challenges stemming from intermediary funding. Donors expressed significant rhetorical interest in seeing this model change, but these changes have not been undertaken yet. Though INGOs’ fundraising incentives often perpetuate their role as intermediaries, INGOs were self-reflective and generally able to envisage a shift away from direct implementation in favor of more supporting roles in the service of localization. Notably, UN agencies did not share the belief that this model, and their role within it, could or should shift, and do not seem to share the goal of strengthening their L/NNGO partners.

Within this predominate model of funding through intermediaries, short-term and response-based funding is the most common funding opportunity for L/NNGOs, posing major challenges for organizational sustainability. This is further exacerbated by inconsistent and inadequate provision of overhead, or indirect cost recovery (ICR). Due to a lack of clear policies on ICR sharing, this decision is determined on a case-by-case basis, frequently depriving L/NNGOs of a critical potential funding source through which they could strengthen their organizational capacity and management. Various aspects of compliance and reporting are seen as major obstacles for L/NNGOs, including M&E, report formatting, audit requirements, and inflexibility regarding usage of funds.

Finally, alternative sources of funding are relatively limited in Malawi. While it is fairly common for L/NNGOs to raise additional income through commercial activities, these funds are generally fairly modest and thus are not seen as a viable alternative to increasing direct funding to L/NNGOs. There is a notable absence of pooled funds in Malawi, which is an area of opportunity for increasing direct funding sources for L/NNGOs.

Human Resources

Research participants shared their perspectives on human resource barriers to localization, specifically looking at various challenges related to capacity and staff cycle HR (recruitment and retention). During the workshop, participants had identified top issues relating to capacity strengthening activities, namely that training often does not address real local needs (particularly at the institutional/organizational level) and that there is a general lack of funding for capacity strengthening. Differing perceptions of the capacity of L/NNGOs were also widely discussed throughout the project and KIIs. Across the board, stakeholders generally recognized that L/NNGOs have significant capacity in terms of their extensive knowledge of local context and communities. However, their organizational capacity, particularly in areas such as financial management, is perceived to be very weak; this is a frequently cited reason for the lack of direct funding and responsibility granted to L/NNGOs.

Stakeholders acknowledged that the definition of capacity is unclear, with different stakeholders holding different impressions of which capacities are the most important in the humanitarian context. Indeed, while program delivery is seen to be a strength of L/NNGOs, this is often overshadowed by relative weaknesses in the areas of financial management, compliance, organizational structure, etc. L/NNGOs felt that donors focus on these issues to the exclusion of considering the actual programmatic quality of L/NNGOs. For their part, donors often feel that L/NNGOs' lack of management capabilities are deal breakers.

Participants expressed widespread concern about the efficacy of current capacity strengthening offerings in Malawi, specifically that they are not always driven by the needs of L/NNGOs and that they are often not accompanied by opportunities to apply the learnings. Moreover, trainings tend to address individual skills rather than support organizational capacities. Trainings are also poorly targeted due to a lack of coordination and tracking in the sector, resulting in certain people receiving the same trainings multiple times while others receive none. Highlighting an issue very specific to the Malawi context, stakeholders spoke frequently about the practice of giving per diems/stipends to training participants and felt that this poses a barrier to effective capacity strengthening. This is seen to undermine training goals by creating an incentive to participate in trainings that is not driven by a desire to acquire skills. A gap was also identified in terms of dedicated funding for capacity strengthening.

The limited financial resources possessed by most L/NNGOs is seen to drive several issues with recruitment and retention, fueling major salary discrepancies between L/NNGOs and INGOs and making it difficult for L/NNGOs to recruit qualified staff. The aforementioned dominance of project-based funding often precludes them from retaining staff in between funding cycles, leading to frequent turnover. While issues of “poaching” and “brain drain” from L/NNGOs to international organizations were raised as challenges, they were cited as less of a concern to L/NNGOs than overall recruitment. Staff training, paradoxically, is sometimes a factor that increases the loss of human capacity as qualified staff gain access to better-paid opportunities outside of L/NNGOs.

Finally, in terms of the staffing structure of organizations, the distinction of local vs. international is becoming blurred in Malawi by the practice of staffing INGOs largely with nationals. However, this practice is not seen as adequate for addressing the inherent power differentials between international and local organizations.



“The trust between organizations is really built at individual level. If they see we are having their best in mind when developing a project and asking things from them, that builds trust. It is important so that they understand that we are not trying to create more work for them when we ask for monthly financial reports, but rather trying to catch things earlier before they become a big issue for both organizations. When they realize this, they become more open and transparent about what they are doing and where they are struggling. No partner will tell you, ‘this is what we are not doing well’ unless you build the relationship, the rapport, the trust.”

- INGO, Malawi

Description

Josephine Kazembe with her new kitchen that she built by herself in Magaletta village in Neno district.

Photo: Chris Gagnon/Concern Worldwide.

Introduction

Affected communities have always been the first to respond to the crises they face. Despite this truth, resources and decision-making are funneled through international bureaucracies and systems. While communities and activists have long pushed for a shift in the humanitarian aid system towards a more locally-led response, the World Humanitarian Summit and Grand Bargain in 2016 brought localization to the global policy stage, with a push for a humanitarian response that is *“as local as possible, as international as necessary”*. Since this commitment, the global system has continued to voice support of a move to a more locally-led humanitarian response, but policy, funding, and behavior change remain minimal.

The Beyond Barriers project, led by Concern Worldwide in partnership with local researchers and with funding from USAID’s Bureau of Humanitarian Assistance (BHA), was undertaken with the intent to diagnose the enduring barriers to localization and propose actionable and operational solutions. The project focused on three core areas: funding, human resources, and power dynamics in partnership. The study was conducted in five country contexts (Malawi, Bangladesh, Northwest Syria (NWS), Somalia, and Democratic Republic of Congo (DRC)) and comprises qualitative and quantitative methods.

The conversation on localization has been robust, and many researchers have worked to define what localization is, which actors can be defined as “local,” and how localization can be practically implemented. What has emerged from the literature is a clear distinction between localization – shifting power and resources to local and national actors – and locally-led responses – shifting power and resources to affected communities. This report will attempt to speak to both sides of the local coin, with a focus on amplifying the role of local and national actors in humanitarian response, while also ensuring the accountability to affected communities in the program design and implementation process.

Localization is a profoundly contextual issue, and thus requires a focused geographic lens. The following report outlines the findings from the research conducted in Malawi and will provide the reader with contextually specific information on the push toward localization in that country. The report will begin by providing an outline of the humanitarian context, system, and policies and governance in Malawi. The key research findings for the three core pillars – Power in Partnership, Funding, and Human Resources – will follow, highlighting major areas of consensus and divergence among stakeholder groups that participated in the research. Finally, each section will conclude with operational recommendations for a range of stakeholders to take meaningful steps toward a more locally-led response.

Methodology

To collect data informed by a diverse range of challenges and contexts, the Beyond Barriers project focused its research activities on five countries, characterized by a variety of crisis drivers and perceived progress on localization. Malawi was selected among the cases due to its increasing challenges with climate-induced emergencies, and the perception that power and resources within the humanitarian system were still largely in the hands of international actors.

The research was divided into three key phases. In Phase I, research was conducted in each of the five study countries in partnership with Local Academic Research Partners. Research activities included a one-day stakeholder workshop, key informant interviews, and focus group discussions. Interviews and focus group discussions were undertaken not only in the capital or central hub of humanitarian response in the country (Lilongwe), but also in smaller regions with affected community members and community-based organizations in Chikwawa and Nsanje districts.

Stakeholder Workshop

The stakeholder workshop in Lilongwe brought together practitioners from local and national NGOs (L/NNGOs), international NGOs (INGOs), and UN agencies. During these workshops, participants discussed key issues related to localization of humanitarian response in the context, the power dynamics in the sector, and proposed operational solutions to these barriers. Data was collected via a survey tool and written worksheets.

Key Informant Interviews

The research carried out key informant interviews (KIIs) with targeted personnel from donor organizations, UN Agencies, international non-governmental organizations; national non-governmental organizations; local non-governmental organizations, community-based organizations; government agencies and leaders of local response structures namely area civil protection committees, village civil protection committees, chiefs, and ward councilors. There was a total of 59 key informant interviews conducted in Lilongwe, Chikwawa and Nsanje, which were semi-structured and qualitative in nature. The majority of these interviews were conducted in person, with some over Zoom or telephone. Interviews were conducted in English and Chichewa, with those in Chichewa translated into English. These conversations lasted an average of one hour and were recorded and transcribed (using Sonix.ai) with respondent permission.

The key informants were purposefully selected to represent a wide variety of stakeholder groups. A particular focus was made on stakeholders who had experience of responding to humanitarian crises in southern Malawi. The informants chosen for this study are not necessarily representative of the population of Malawi but are representative of the community of respondents to humanitarian crises.

Focus Group Discussions

Focus group discussions were carried out in the Chikwawa and Nsanje communities. The discussions targeted community members of local structures such as the District Civil Protection Committees (DCPC), Area Civil Protection Committees (ACPCs), and Village Civil Protection Committees (VCPCs). Focus Group Discussions were led by the local partner.

During Phase II of the project, an extensive data analysis process was conducted. The data analysis was carried out utilizing the Dedoose platform. Qualitative data was analyzed by the research team by categorizing the qualitative data from the research using both deductive and emergent codes. Quotes from the key informant interviews were closely reviewed and assigned a code related to a specific sub-theme of the research. These quotes were then further organized into stakeholder type, allowing stakeholder perspectives on each sub-theme to be compared.

Additionally, during Phase II, a global online survey was conducted to gather additional perspectives about barriers to the localization of humanitarian action and test some of the hypotheses generated during the qualitative stage of the study. This survey was provided in 12 languages to increase accessibility to humanitarian workers in different contexts.

Phase III focused on the development of operational tools to support humanitarian organizations in overcoming some of the most common funding and HR-related barriers to localization. These tools were co-created with the program's local research partners and revised with the guidance of Concern Worldwide's country teams.

Across all five study contexts, the Beyond Barriers project engaged 172 individuals in workshops, conducted 293 key informant interviews, and conducted 23 focus group discussions with crisis-affected communities. Throughout the project, these activities engaged 110 L/NNGOs, 55 INGOs, 33 in-country donors, 28 UN agencies, 15 government entities, 55 community members or CBOs, and 19 other experts.

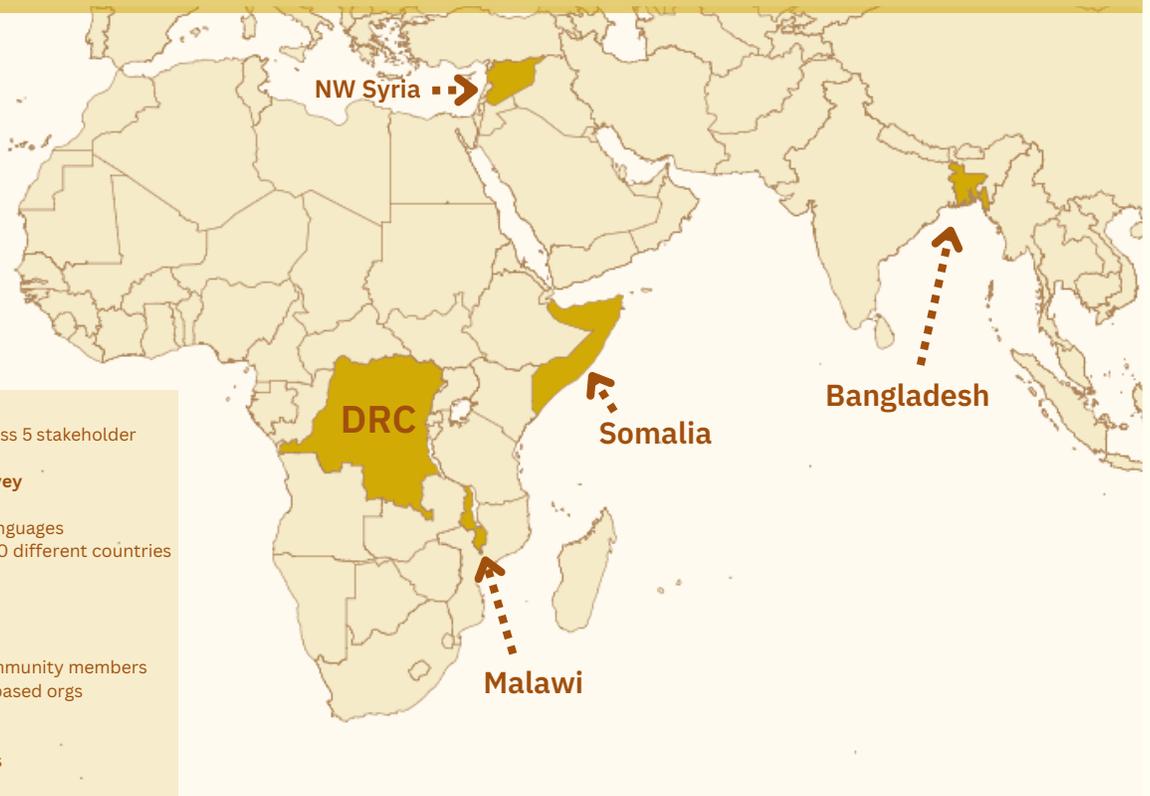
The findings presented in this report come directly from aggregate analysis of data collected by Concern Worldwide and CEPA. All interviews were conducted with the assurance of anonymity and the report ensures that this is respected. The report reflects the views and perspectives of the research participants, not of Concern Worldwide and CEPA.

While the study sought to seek a diversity of voices from actors across the sector, the largest stakeholder group involved in the study are members of Local and National NGOs (L/NNGOs). As a result, this report may best represent their opinions, though attempting to share the experiences and standpoints of other stakeholders within the humanitarian system.

L/NNGOs are not a monolith, and the research project met with organizations that range in size, budget, mandate, and geography. This diversity of organizations was reflected in their different needs and challenges. Throughout this report and other research projects, the term L/NNGO captures organizations founded and active in Malawi. Where it is necessary to distinguish, the type of L/NNGO is identified, such as 'National NGO (NNGO)' or 'Local NGO (LNGO)'.

The international stakeholders involved in the research were in-country donors, UN Agencies and INGOs. The term 'international actors' is used throughout the report as catch all term for these stakeholders, where appropriate.

Beyond Barriers Country Contexts



- **Workshops**
 - 172 participants across 5 stakeholder workshops
- **Global Localization Survey**
 - 811 respondents
 - Translated into 12 languages
 - Respondents from 60 different countries + 655 different orgs
- **Interviews**
 - 293 KII total
 - 34 FGDs total
 - 23 FGDs with community members and community based orgs
 - 110 L/NNGOs
 - 55 INGOs
 - 33 In-country donors
 - 28 UN agencies
 - 15 government entities
 - 55 community members
 - 19 other experts

Malawi

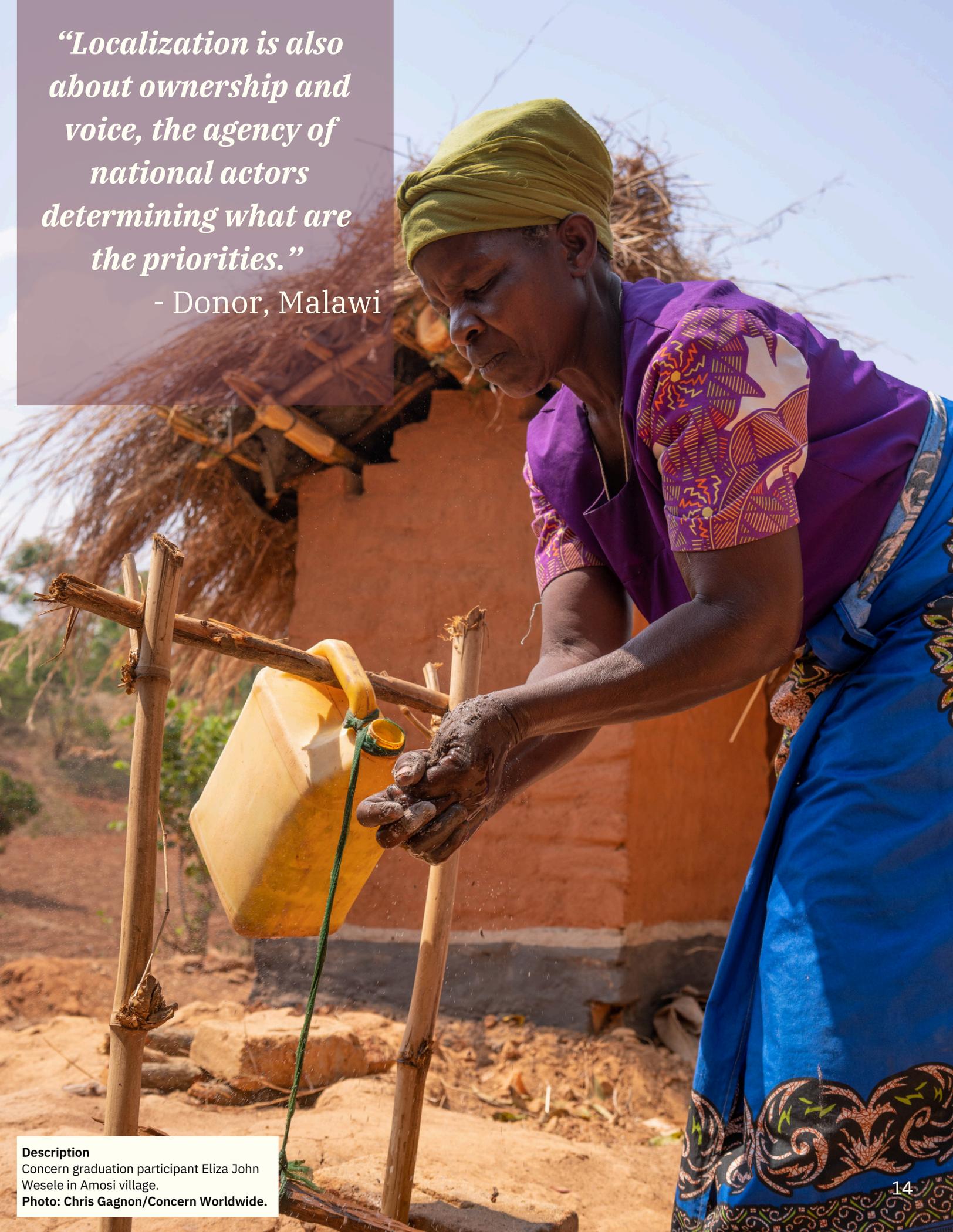
Interviews

- **1** Nationalized/Affiliate
- **7** Community KII
- **4** Community FGD
- **8** Donor
- **11** INGO
- **7** Local Government- KII
- **3** Local Government- FGD
- **2** National Government
- **3** Other
- **13** L/NNGO
- **5** UN Agency



“Localization is also about ownership and voice, the agency of national actors determining what are the priorities.”

- Donor, Malawi



Description

Concern graduation participant Eliza John Wesele in Amosi village.

Photo: Chris Gagnon/Concern Worldwide.

Section 1 - Power in Partnership

The first category of barriers examined in this research were those related to power in partnership. The subject of power dynamics inherent in the humanitarian system is of critical importance to the topic of localization and highlights the relational and behavioral components of a shift to a more localized response. Further, power dynamics underpin all operational challenges, meaning that one cannot examine funding or human resource challenges without considering the impact of power dynamics.

To better understand the priorities of the actors in Malawi, workshop participants were asked what components of power in partnership were the greatest barriers. The following were the highest ranked barriers in this category in the pre-workshop survey:

1. International actors prefer to conduct direct implementation.
2. Lack of trust between international and local actors, including international NGOs and donor agencies.
3. There is too much focus on perceptions of risk for international actors and not enough on accountability to populations.

The subject of power is complex and context-dependent; this section of the report aims to discuss the ways in which power manifests in Malawi's humanitarian sector, with a particular focus on the roles of international and local actors, trust between these actors, the qualities of equitable partnership, and the management of risk in partnership.

1.1 Power Dynamics - A Bird's Eye View

KEY POINTS:

- Stakeholders shared a consensus around desiring a situation where current power dynamics are reversed, with communities and L/NNGOs holding more power than international actors and local government holding more power than today, as opposed to the national government.
- Donors and UN agencies in particular are seen to wield a large influence in Malawi due to their control of financial resources.

In the pre-workshop survey, local, national, and international stakeholders were asked to rank where they believed the power in the system to reside currently and where it should be in an ideal, localized response. The following were the results:

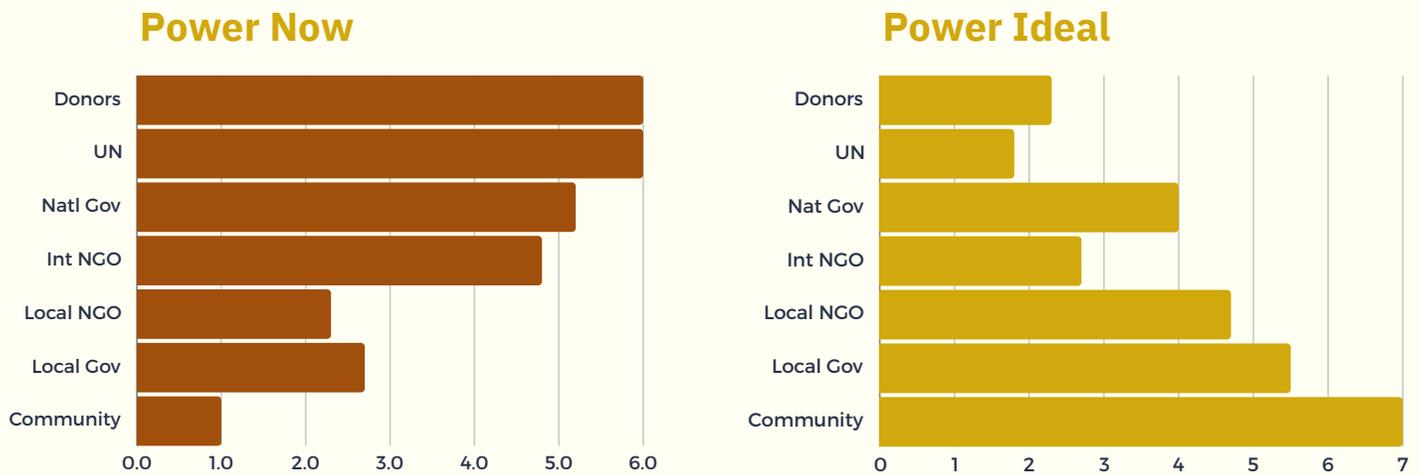


Figure 1: Power Structure as viewed by research participants

The results clearly indicate a desire for there to be an inverse of the current situation, where the international actors hold the most power. It should also be noted that the participants wanted to see a reduction of the power of national government and an increase for the local government. This was very much in line with the findings from KIIs on the need to decentralize government systems and structures and strengthen local government. Currently, the government of Malawi exercises a significant amount of power over humanitarian activities and while NGOs mobilize resources, they cannot undertake any humanitarian work without the approval or involvement of the government. Even for international donors to provide funding for humanitarian response to NGOs or UN agencies, they require a formal request from the government. However, the greatest resources tend to lie with international stakeholders such as donors and UN agencies.

Due to their control over humanitarian aid, donors and UN agencies can ‘shape’ how a given humanitarian response is undertaken instead of this being determined by local government or organizations.

Within partnerships to deliver humanitarian aid, it is common to see INGOs partnering with L/NNGOs to implement responses. However, there are major inherent power dynamics in this scenario given INGOs’ direct relationships with donors and extensive access to resources. One community interviewee said that INGOs are almost like the “mother” of L/NNGOs in this arrangement, something that highlights the perceived dependency of L/NNGOs on their international counterparts and certainly impedes their ability to play a more leading role in response.

Recommendations:

- The strengthening and better inclusion of the L/NNGO Forum should be a priority for all stakeholders in order to have an entity better representing the voices of L/NNGOs in the system.
- The establishment of a Localization Technical Working Group including all stakeholders could provide a forum for the sector to coordinate on localization and track progress.
- Donors should ensure that they do not fund nationalized INGOs in lieu of funding actual L/NNGOs.

1.2 Role of International Actors

KEY POINTS:

- Perceptions of the proper role of international actors in Malawi are quite varied, with L/NNGOs strongly believing international actors to be resistant to change.
- International actors (INGOs, donors, etc.) expressed varied views on this point, with most INGOs acknowledging the need for a “paradigm shift” while demonstrating varying levels of progress on localization. The UN is viewed as the most change averse.
- There was a fairly wide consensus around the need for a transition whereby INGOs could support L/NNGOs in gradually assuming more power, with INGOs moving away from implementation and sub-granting towards technical assistance and advocacy.

During the workshop, there were strong sentiments from L/NNGOs that international actors were resistant to change. This was not surprising, as indicated by the number one ranked barrier in the pre-workshop survey being that international actors prefer to work directly on implementation rather than in partnership. There were contrasting views on this and the role of international actors going forward. Interestingly, the discussion of the role of international actors was proportionally largest in Malawi compared to the other country contexts.

One donor disagreed with the characterization that international actors are resistant to change. They believed that the acceptance of cash transfers as the preferred means of humanitarian response of many actors required a change in mentality. There has been a realization that ownership of the decision for what is needed in times of crisis should rest with affected communities. They also thought that INGOs are more progressive in proposing ideas to shift power than donors.

Meanwhile, INGOs interviewed had contrasting views on this issue, reflecting the diversity among them, particularly in relation to their organizational positions and progress on localization. One INGO, who works primarily on direct response, conceded that it is a “paradigm shift” to move from direct implementer to a partnership approach. Several INGOs noted that they have made progress on shifting their role but highlighted that it is a process and there will be a period of transition. It was further suggested that there is a need for strategic leadership among INGOs to work together and avoid situations where all the INGOs are targeting the same L/NNGOs and “*suffocating them with money*” and/or capacity strengthening and other resources. In contrast to INGOs’ general willingness to begin changing their roles, one INGO perceived that the biggest resistance to change came from UN agencies.

All INGOs believe there would still be a role for them going forward, but they diverged in their visions of what this role could be. Some believe that because of the substantial amounts of money needed to respond to humanitarian needs, it may still be necessary to have an INGO to step in and divide the work of administering this grant with several local partners. Others believe that the role of INGOs will develop more, away from sub-granting and towards a focus on technical backstopping and advocacy.

The KIIs with L/NNGOs on this issue showed on the one hand the skepticism over the intentions of INGOs, while on the other an acceptance that they have an important role to play, particularly while greater resources are gradually transferred to LNGOs. There were also different views on how international actors should go about changing their role. Some highlighted the need to advocate and lobby the government, while others sought a different type of collaboration, particularly for INGOs to collaborate with local organizations on improving financial management and not just implementing projects together. Other L/NNGOs highlighted the value of the international experience that international actors can bring. However, they must also understand the local experience and context.

Local government and communities also considered the role of INGOs to be important going forward, but asserted that the balance in power needs to change. A local government representative was of the view that LNGOs have better contextual understanding but lack capacity, and currently that support is provided by INGOs. One member of an Area Disaster Risk Management Committee also believed in the complementarity of the international actors and L/NNGOs, with L/NNGOs providing local context and connection to communities and INGOs largely providing funding.

“There is a perception that there is a monopoly by the INGOs, and we expect that to change. They will still have a role and there needs to be a transition process until everyone is sure that the local NGOs have sufficient means to manage responses.”

- LNGO, Malawi

Recommendations:

- INGOs should analyze on an ongoing basis their role in terms of both power dynamics and the value-add they bring to the context. INGOs should avoid continuing their presence in a context when they cease to add value.
- INGOs should publish localization policies and strategies that detail how they plan to evolve in the next 5 to 10 years to advance localization, and commit to exit plans where necessary.

“[There is resistance] not just to shift the power with funds, but also on programmatic direction. They think they are the only channel through which responses should be generated. The resistance is there because they want to spend less and reach out to many- they want to reach scale and score high. But they do not want to spend money on what is required to build the conditions to reach scale.”

- INGO Re: UN, Malawi



Description

Patrick Makani mulching at Mano Irrigation scheme, Valani village, TA Kanduku, Mwanza District.

Photo: Chris Gagnon/Concern Worldwide.

1.3 Lack of Trust

KEY POINTS:

- Trust, or lack thereof, between stakeholders was viewed as a major impediment to progress on localization in Malawi.
- Mistrust was reported in many different directions, most notably: a significant lack of trust from donors towards L/NNGOs and few opportunities for L/NNGOs to build that trust; L/NNGOs finding it hard to gain the trust of international partners due to lack of experience with major funding; and communities generally reporting trust of INGOs while also observing that a lack of involvement of communities can undermine this.
- The importance of governance and organizational management in L/NNGOs was cited in terms of something that can improve others' trust in these entities.

As evidenced in the pre-workshop survey, the issue of trust between actors at the local and international level was seen as a key barrier to localization. Compared to the other countries in the research, stakeholders in Malawi spoke more frequently about the issue of trust, both from communities and other stakeholders in the humanitarian system.

In the following sections of this report, issues of trust emerge under different names. In funding, there was a lack of trust in the ability of local and national NGOs to handle financial management and the responsibilities of grant implementation. In human resources, the very notion of whether a local or national organization has capacity ends up being a matter of trust, as “full capacity” is not defined, and local actors get stuck in a loop of training activities with no clear graduation. Due to the prevalence of the conversation about trust during the Malawi data collection, the Beyond Barriers team redesigned all subsequent workshops to include activities specifically on the subject, and it has become one of the key takeaways from the research. This section seeks to discuss the orientations of different stakeholders to trust, and how it is built and broken.

Donors shared various factors that impact their trust in partners. One donor suggested that bigger donors prefer to work with someone that they have experience with. They also highlighted that trust is often developed between international stakeholders through existing networks or on a personal level. It is exceedingly difficult for L/NNGOs to have opportunities to build trust in this way. Another donor conceded that overall, *there is still a significant lack of trust from donors towards LNGOs*. Additionally, the data indicates that LNGOs are being undermined due to the lack of transparency in resource allocation processes by donors and INGOs, coupled with the inadequate coordination with local actors on the ground.

There were several perspectives on the lack of trust from INGOs. Some INGOs do not believe that all INGOs want to see national NGOs grow because they could become a strong counterpart to hold them accountable. Another noted that if you give local NGOs too much power, there is a risk that they become disconnected from the community. One INGO highlighted that individual staff play a large role in building trust between organizations and that transparent relationships depend upon a foundation of trust.

The importance of local partners having proper systems and being accountable, whether through governance or otherwise, was seen as a crucial aspect of trust. One INGO admitted, *“It can feel like you have failed when you have done capacity building and yet still funds are mismanaged”* and this makes it hard to have trust. Another key factor for INGOs is the quality of L/NNGOs’ programmatic work. One INGO said the most key factor for them was knowing the partner was already performing in the sector. Another mentioned that it must be clear that the goal of the organization is to help the community from which they come and not acting out of self-interest.

For their part, L/NNGOs highlighted several challenges they have in building trust with international actors. Firstly, it is impossible for them to build trust with donors without having previously managed big funds. Certain L/NNGOs believe that the first step would be to have direct communication with donors, where relationships could be established, but those opportunities are rare.

There were several negative examples where L/NNGOs had met with international actors and even submitted proposals, but ultimately there was no follow up or feedback. L/NNGOs recognized that it is important to have strong systems to gain trust from international actors. A further factor affecting trust is the above-mentioned nationalization of INGOs - the practice of INGOs registering as local NGOs, since this has created additional competition for resources between INGOs and L/NNGOs.

There were mixed views from the communities on the issue of trust. The perception of INGOs generally remains positive, as they believe they are less biased and have more resources, mainly funding, to reach more people. INGOs are perceived as more accountable by the communities interviewed. However, community data reveals limited participation in the design and decision-making processes of humanitarian and disaster responses. Some participants argue that this creates issues of trust between locals and aid organizations at all levels.

1.4 Equitable Partnership

KEY POINTS:

- An inherent power dynamic between international and local organizations, driven by the tendency of international organizations to control funding streams, was acknowledged, which creates an impediment to equitable partnership.
- The project design phase was seen as the most crucial time wherein equitable partnerships can be formed by co-designing projects and proposals in a way that acknowledges the complementary skills of each partner and establishes transparent parameters for partnership. Consistent and transparent communication was also seen as a crucial factor.
- Donors were regarded as having a critical role to play in incentivizing the implementation of equitable practices by INGOs.

“Most funders are still not yet to the stage whereby they fully would entrust a local NGO with all the resources that they can.”

-LNGO, Malawi

To address the power imbalances in the system, improve trust between stakeholders, and to maximize the effectiveness of funding through intermediaries, it is vital that the partnerships between stakeholders are as equitable as possible. The following section highlights different stakeholders' views on the nature and importance of equitable partnerships between local and international stakeholders.

Donors have a vital role to play in creating the conditions for equitable partnerships between international actors and L/NNGOs. One donor recognized that they need to be more intentional when funding partnerships and require INGOs to demonstrate how they aim to transition power to L/NNGOs, since it is not in their interest to do so otherwise. However, they also admitted that they doubt the sincerity of some INGOs regarding partnerships as their project budgets seem imbalanced when compared to the work being done. One smaller donor stated that the way bigger donors award grants does not allow for INGOs to develop projects together with local partners. They must first win the contract, then find partners to work with. This already creates an imbalance in the partnership at the very beginning and is difficult to redress.

INGOs acknowledged the issue of this power dynamic between themselves and their local partners and mentioned the need to enter these partnerships as equals. However, one INGO mentioned the difficulty of being truly “equal” when INGOs typically bring the

funding as well as all the key administrative capacities. They also acknowledged that they have a critical role to play in breaking the perception of LNGOs as having “no capacity,” and that transferring their administrative and financial skills and systems to local partners can be a way to build more equitable partnerships in the future.

INGOs also commented on the importance of building trust and rapport with local partners and being open and transparent about why certain measures (i.e., auditing, reporting) are necessary and in the best interest of both parties to continue doing their work together. This has been seen to improve partnerships and build a more collaborative dynamic. A good example of working in genuine partnership is an INGO providing technical support to a partner in the development of a proposal, which they will submit directly to a donor. There is a commitment from the INGO to providing technical support on the project if successful.

It was emphasized that the most important phase to ensuring equitable partnership is the design phase. This is where partners can provide input on all aspects of the partnership, beyond the scope of the program design. One INGO mentioned that they go through the partnership agreement in detail, cognizant of the fact that the legal language is not always easily translated or understood, making efforts to ensure that all clauses are understood, as are the consequences if one is broken.

Beyond the initial design phase, the nature of communication within a partnership is also vital. One INGO noted the importance of quality communication and for it to be *'timely and adequate'*, ultimately leading to more beneficial feedback. Another INGO highlighted the importance of recognizing the different strengths and capacities of both partners. If they work with a local organization that is strong on women's empowerment, it is because they have local credibility and trust from local stakeholders, including the communities. On the other hand, the INGO might have stronger partnership networks and support on systems such as safeguarding, which may not be there for the local organization. Recognizing the complementarity of the partnership is a crucial element for equitable partnerships.

One INGO mentioned challenges that they have had in the past in partnering with L/NNGOs, which led them to "lapsing" into direct implementation. Now they are working on a partnership approach to develop a database of L/NNGOs with Memorandums of Understanding (MOUs) in place so that they have established partnerships that can be called on in a response effort. This work is necessary to have relationships developed with L/NNGOs well in advance of the award of grants or commencement of humanitarian responses.

L/NNGOs echoed most of the sentiments on the factors for equitable partnerships.

The relationship does not always need to be about funding, with one L/NNGO providing an example where they partnered with an INGO who did not provide funds but sent personnel to help them develop their skills. A key factor for L/NNGOs is for the partner to be flexible and available to ask for assistance. L/NNGOs also stated that when their international partners communicate regularly and are responsive and available to lend support, this results in a much more productive partnership. It is important for them to have a focal person with whom they can communicate directly. An L/NNGO gave an example whereby they spent time on an audit but never received a final copy of the audit report from their international partner, highlighting the inequity of some partnerships between international actors and L/NNGOs.

Finally, donors, L/NNGOs, and other local stakeholders also had a consensus around the potential of "transition projects" whereby L/NNGOs are given very small grants to manage on their own initially, with the goal of increasing this funding over time to build their ability to be primary grantees in the future. This could also slowly address the reality that most donors are only comfortable giving much of their funding to those who they have already funded previously. In general, all stakeholders acknowledged that this process of localization in Malawi will take time and that those with the resources (donors, etc.) need to exercise patience and support as this transition takes place.

"It is a mutual engagement. It is not a top-down kind of thing.... you should enter at a similar basis and acknowledge that while we have a headquarters office behind us to support ... it does not mean we have all the answers to local questions."

-INGO, Malawi

Recommendations:

- Donors should require or incentivize the co-design of projects alongside L/NNGOs and fund co-creation workshops for shortlisted or accepted proposals.
- UN agencies and INGOs should invest in establishing relationships with potential partners and signing MOUs with them to establish strategic partnerships. This process should include a discussion of all compliance and reporting requirements and the methods and schedule of reporting should be agreed upon together to ensure transparency from the start.



Photo: Chris Gagnon/Concern Worldwide.

1.5 Risk

KEY POINTS:

- Stakeholders generally converged around financial risks as the most salient type of risk associated with operating in Malawi, noting that even small doubts over financial management can cause donors to balk and that perceptions of corruption are often as damaging as actual corruption.
- Local organizations and donors shared a view of Malawian organizations being plagued by “founder syndrome” or “cults of personality” whereby powerful founders supplant healthy organizational functions and can create conflicts of interest.
- Stakeholders held varying views of who holds the most reputational risk, with donors and INGOs often citing pressures from headquarters level.
- Funding through intermediaries was seen as a way to mitigate risk, though stakeholders also largely agreed on a need to support L/NNGOs with compliance processes in order to reduce risk more sustainably.

Within the research, the topics of corruption and mismanagement of funds frequently were cited as reasons that local actors were not ready to receive funding. The third highest category of barriers within power in partnership was the perception and definition of risk. The research sought to understand risk and the perception of risk as a barrier to localization. This section will cover the types of risk encountered, risk perceptions, and risk mitigation strategies.

Overall, there is a broad convergence around financial risks being the most salient risk when operating in Malawi. In the KIIs, the issue of corruption was mentioned frequently (the second highest of the five countries in the study) and deeply intertwined with trust issues in the Malawi humanitarian sector. One donor emphasized that any doubt that occurs over whether proper systems have been followed can lead to an immediate cease of funding and relationship. However, the same donor warned that many concerns about the risks of working with local actors are based on assumptions not based on evidence. The discussion emphasized the need to examine risk tolerance and create a more evidence-based and objective assessment of risk. Another donor also tied the issue of corruption to ongoing capacity issues within L/NNGOs, suggesting that there is a practice of recruiting people based on connections instead of qualifications, which leads to under qualified staff being present in some organizations. This donor emphasized that while increasing partnership with local actors is a goal, individuals from the community tend to experience greater pressure to favor certain members of the community, potentially leading to corruption.

INGO interviewees echoed the above views of donors. It is important for international actors to realize the power dynamics at play in communities when providing funding to local actors. This should not be construed as a reason to not fund L/NNGOs, but rather adds responsibility to the funding stakeholder to ensure that the local actor being funded is truly representative and accepted by the community.

One other specific factor impacting trust and risk is the predominance of the so-called “*founder syndrome*” among local organizations. This was mentioned primarily by local stakeholders during the research, but was also acknowledged by donors, one of whom mentioned the “*cult of personality*” present in many L/NNGOs. “*Founder syndrome*” describes a situation where an organization’s founder holds disproportionate power within the organization and precludes the organization from developing operationally and being sustainable beyond their tenure. INGOs were of the view that unless an L/NNGO had transparent governance, there would always be a risk of conflict of interest at board level. The L/NNGOs responses on this subject confirmed that they realize that they must prove that they have functioning systems, particularly financial, to win the confidence of international actors. They spoke of the efforts they have made to build these capacities, while also pointing out the difficulty in doing this without resources.

L/NNGOs also asserted that corruption at the government level is the bigger issue. This led to some NGOs stating that they would prefer

"It is also important to understand that there are risks and they are going to become sort of challenges along the way ... I think it is important to build up the confidence of senior managers at HQ to be able to manage those risks."

-Donor, Malawi

Council of Non-Governmental Organization (CONGOMA) (an umbrella body of NGOs) to regulate NGO activities instead of the national government to avoid corruption in regulation processes. However, the national government asserted that the assumption that government is the main place where corruption happens is a fallacy, pointing out that many L/NNGOs also now mimic corrupt practices found in the government.

There were various interpretations of reputational risk among stakeholders. One donor believed INGOs take on the biggest reputational risk in the system, given their roles as intermediaries partnering with local organizations. However, the same donor went on to say that certain L/NNGOs are "blacklisted" following suspected fraudulent events, something that does not happen to INGOs. L/NNGOs recognize this reputational risk of being viewed as risky to fraud and said this served as a powerful incentive to address corruption issues.

There is also a domestic and international reputational risk faced by bilateral donors, which affects risk appetite. This was explained by one donor as a challenge with localization. The donor went on to highlight the different risk tolerance they have between emergency response and other parts of the humanitarian cycle, highlighting that they are more comfortable funding local organizations in the early recovery phase instead of immediate response. This seems to suggest that funding L/NNGOs for more development or preparedness-oriented work could be a pathway to building confidence amongst donors to fund L/NNGOs during humanitarian responses.

One notable finding was that perceptions of corruption were as damaging as actual corruption due to the further erosion of trust they produce. For example, difficulties on the part of the local government in delivering resources during a recent cyclone led local NGOs to be suspicious of local government entities. A community interviewee shared that community members are likely to be inherently suspicious of projects unless they are intentionally consulted, given the details of what the project is doing, and kept informed throughout the process.

In order to find ways to move beyond the barriers associated with risk, it is important to have mitigation measures that will satisfy all stakeholders. Firstly, it is necessary to recognize that there are risks within the system and as put by one donor, the capacity of donor staff to manage these risks should be strengthened. This indicates an acceptance that there is a need for reflection and change in practice in the headquarters and government departments of donor agencies on how they manage risk.

One interesting point of convergence was that donors, local government, and LNGOs all mentioned that INGO intermediaries are an important way to build trust in LNGOs as they can be supported in compliance processes by the international partner, and this reduces the risk of the partnership in the eyes of the donor. This can also help mitigate the challenge faced by L/NNGOs in hiring and/or retaining qualified financial managers.



...even if we want to follow a localization strategy, we really need to know that that partner is going to be able to deliver quickly. So, for us it's a reputational risk ... because I think for us then in an emergency, it becomes a question of life and death. So, you can't take the risk if the stakes are very high."

-Donor, Malawi

Stakeholders shared perspectives on measures taken to reduce risk, such as auditing. Even community interviewees supported auditing and other mitigation measures as they desire greater transparency with the funding that is going into their communities. In terms of challenges related to auditing, there was a mention of the need to increase capacity in this area. Leveraging technology was discussed to make this process easier on LNGOs -- for example, the digitization of financial records and procurement records and using technology like phones to record program activities. One example is a private entity, Emere, established by an experienced international humanitarian. They have developed procurement software, which would ensure transparency of procurement practices. The Emere team verifies each supplier on the system.

Tenders and bids are submitted online, allowing for full transparency and accountability.

The practice of funding through intermediaries in general, as mentioned in the funding section of this report, is viewed as a risk sharing or mitigation practice. A UN interviewee pointed out that a donor's incentive is to get large amounts of money out the door with negligible risk, which is incompatible with localization, since funding local organizations requires an appetite for funding smaller projects with more risks related to management and compliance. However, the same interviewee also notes a general risk aversion when creating new funding models.

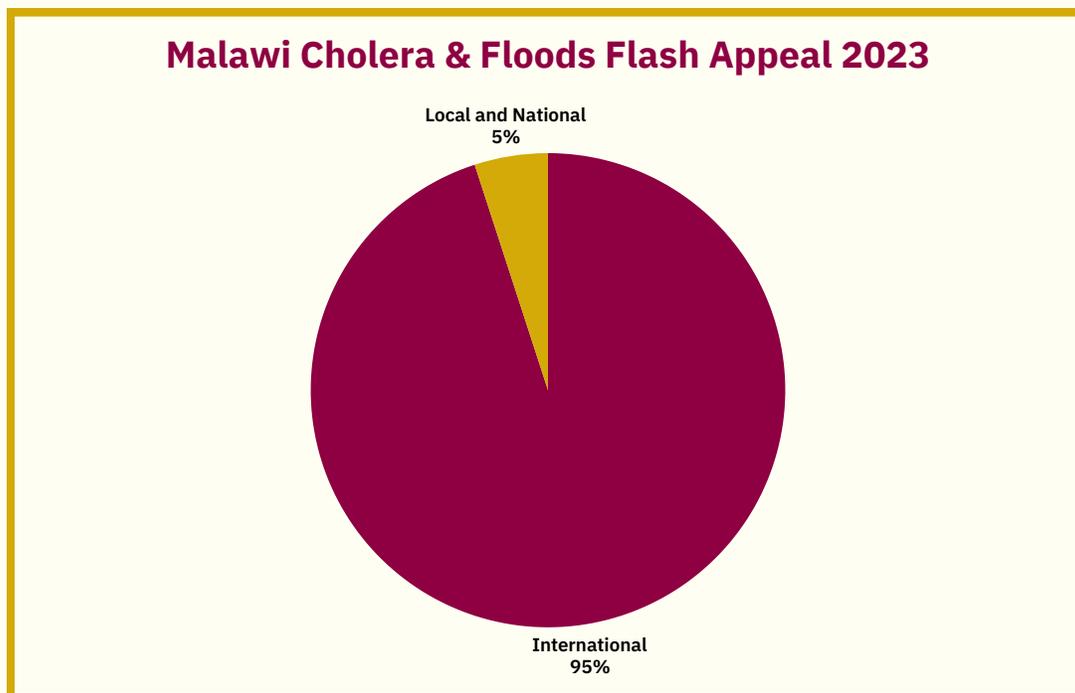
Recommendations:

- All stakeholders should engage in advocacy with donor agencies, governments, and taxpayers to convey the benefits of locally-led humanitarian response and encourage governments to release some risk aversion.
- International actors should build the capacity of their staff to manage and share risk, leveraging tools such as the risk sharing tool developed by the Beyond Barriers team.
- L/NNGOs should prioritize having systems in place to manage risk and donors, INGOs, and UN agencies should invest in innovative technologies that can help to eliminate corrupt practices, such as the technology detailed in the case study from Emere in this project.

Section 2 - Funding

In localization policies and conversation, getting funding more directly into the hands of local and national actors is seen as one of the key mechanisms through which to realize a more locally-led response. In particular, the Grand Bargain target of 25% of humanitarian funding going directly to local actors was adopted, but direct funding remains low.

In Malawi, the humanitarian funding reaching local actors – either directly or indirectly – is minimal. For example, the UNOCHA Financial Tracking Service for the Malawi Cholera and Flash Flood Appeal 2023 shows that L/NNGOs have only received five percent of the funds for the response.



Existing literature on localization has outlined the many barriers within the funding space. During the study workshop in Malawi, participants from CBOs, L/NNGOs, INGOs, and UN agencies were asked to rank a list of these funding barriers that had been previously compiled and reviewed by the local research partner for completeness and relevance. The participants ranked the following barriers highest in terms of their limiting effect on localization in Malawi:

- 1.** Funding does not go directly to local and national organizations, but is passed through intermediaries.
- 2.** L/NNGOs must compete with INGOs for funding.
- 3=.** Only short-term funding options are available; there are limited quality or multi-year funding options.
- 3=.** Local actors have little to no relationship with donors and it is difficult to build those relationships.

Compared to the other four country contexts, funding barriers in Malawi are proportionally more focused on general fundraising, sub-granting relationships, access to donors, and funding cycle related challenges (proposal writing, reporting, etc.). Funding through intermediaries is the primary funding modality in the context as direct funding for L/NNGOs is very limited and alternative funding sources such as pooled funds are not common.

This section seeks to present a holistic picture of the barriers and opportunities for localization of humanitarian funding in Malawi. This section will begin with an overall summary of funding obstacles, followed by detailed sections that go into greater detail and pull forward stakeholder statements and experiences.

2.1 Direct Funding to Local and National Actors

KEY POINTS:

- Donors' concerns about the ability of L/NNGOs to manage direct funding, as well as donors' preference for providing large grants instead of numerous small grants, are a major barrier to direct funding of L/NNGOs in Malawi.
- L/NNGOs in Malawi are often dependent on INGOs for accessing funding, frequently lacking knowledge of funding opportunities due to a lack of direct relationships with donors.

While direct funding to local and national actors is one of the primary targets of the Grand Bargain, only one donor interviewed confirmed that they currently fund L/NNGOs directly. Local stakeholders echoed this reality, with one stating that *“the funding space has really been narrowed and it only favors those with existing huge capacity who are mostly the international actors.”* Nonetheless, L/NNGOs emphasized the necessity of accessing direct funding because it is empowering and serves as an endorsement of their capacity and capabilities for potential donors in the future.

Donors in Malawi reported mixed experiences and practices when it comes to

providing direct funding to L/NNGOs, despite general theoretical support for increasing such direct funding. Donors frequently raised the issue of capacity when discussing direct bilateral funding to L/NNGOs. For some, this referred to the capacity of L/NNGOs to spend funding ranging from small grants (approx. \$30,000) to large grants (for example, \$1 million). One donor reported trying to implement direct funding in the past but being forced to stop the practice due to concerns about L/NNGOs being able to absorb and govern the funds. L/NNGOs largely believe that these concerns are unfair, demonstrating a gap in perceptions between donors and L/NNGOs.

“The INGO tends to win because it looks pretty. It’s written in a way that serves the confidence of the donor – even though we know that oftentimes they pay tens of thousands of dollars to people to write them, who will have nothing to do with the implementation... sometimes you get proposals that sound really good but are not as polished and I hear comments from [HQ] about it not being detailed enough.”

- Donor, Malawi

While the perception of L/NNGO capacity is impacting direct funding, the reality is that donors have their own capacity constraints. Providing numerous small grants is often not possible for donors from an administrative point of view, leading them to provide fewer but larger grants. With concerns over the capability of L/NNGOs to manage large grants, this represents a major barrier for direct funding of L/NNGOs. Additionally, donors’ process of identifying, vetting, and approving L/NNGOs is long and onerous for both the donor and the applicant, as conceded by one donor interviewed.

Donors recognize that their own bureaucracies act as barriers for L/NNGOS. Additionally, L/NNGOs tend to lack the established relationships with donors that INGOs enjoy, leading to less communication channels with donors and less awareness of funding opportunities. In most cases, L/NNGOs must go through INGOs to bring ideas for projects. Even where INGOs have partnered with L/NNGOs, it

is the INGOs that directly interface with the donors, affording them better access to information and opportunities. Geographical limitations also play a role here; L/NNGOs believed that donors do not spend sufficient time visiting affected districts, but stay in Lilongwe, with one donor conceding that it is difficult to interface with L/NNGOs that do not have a presence in the capital. INGOs also have a major advantage over L/NNGOs when submitting winning proposals, given their ability to write proposals in the style preferred by donors.

Donors interviewed agreed that providing seed funding to co-create and design projects with local partners would be a positive step, although no donors interviewed were currently providing this type of funding. One INGO believes they have a role to play in assisting LNGOs in accessing direct funding from donors. For example, there often is a need for matched funding, and INGOs could provide this support.

Recommendations:

- INGOs and UN agencies should consider transforming their missions to include promotion of localization, including specific goals related to the transfer of resources to L/NNGOs. This should include a role in fostering relationships and communication channels between donors and L/NNGOs.
- INGOs and UN agencies can relinquish power in the system by making commitments to not compete for funding opportunities where there are L/NNGOs capable of leading responses, as well as advocating for direct funding for such L/NNGOs.
- In-country donors can increase support of localization by making a concerted effort to visit L/NNGOs in their districts and invite them to their offices, as well as increasing their own staffing to support the management of numerous different grants.
- Remove all matched funding requirements for L/NNGOs as it is unrealistic to expect L/NNGOs to have these resources.



Photo: Chris Gagnon/Concern Worldwide.

2.2 Funding Through Intermediaries

KEY POINTS:

- Funding through international intermediaries currently represents the vast majority of funding opportunities for L/NNGOs, with short-term, response-based funding most common.
- Donors expressed significant rhetorical interest in seeing this model change, envisioning funding projects where L/NNGOs play a leadership role. However, realization of such changes has not taken place to date.
- Though INGOs' fundraising incentives often perpetuate their role as intermediaries, INGOs envisage a transition from direct implementation towards technical support and advocacy in the service of localization. UN agencies did not share this belief that funding models could or should shift.

All stakeholders interviewed for this research agreed that the predominant funding model for Malawian L/NNGOs is to receive funding through an intermediary, most commonly an INGO or a UN agency. Nonetheless, funding through intermediaries comes in many forms and the *quality* of this funding is often as important as the *quantity*. An analysis of the factors contributing to quality funding through equitable partnerships can be found in Section 1 (Power in Partnership).

Humanitarian funding typically consists of short-term funding for specific response activities, which was highlighted as a key barrier for L/NNGOs during the workshop. One UN agency cited the fact that they do not have security of multi-year humanitarian funding themselves, so they are unable to provide funding for longer than an annual basis. They cited an example of a multi-year project that was reneged on by the donor in the middle of the project, chilling enthusiasm for providing more multi-year grants.

Despite their tendency to fund through intermediaries, there was a clear desire among donors to see a change to the current funding paradigm. One donor had made it a requirement for INGOs to include local partners in any projects funded. Another donor expressed interest in consortium approaches where they fund one INGO who will work with several L/NNGOs, or even a full reversal of roles with an local NGO as the lead organization, being supported by an INGO. They also expressed interest in funding INGOs who are ready to take the back seat and are taking an intentional approach to localization. However, evidence of this rhetoric translating into practice was not found during this research in Malawi. One donor explained that they ultimately find the intermediary model to be a “*safer*” method of providing funding to L/NNGOs, as opposed to direct funding. It also lessens the administrative burden as donors, as discussed above.

“It 100% is down to donors to provide the incentives for INGOs to make the changes.... Ultimately you are asking to do themselves out of business and they will not do that on their own.”

- INGO, Malawi

A government representative highlighted that from their perspective, the predominance of intermediaries in the country and lack of public knowledge into how their funds are being spent can lead to perceptions of misuse which undermine local trust in these organizations. Other local stakeholders thought the current intermediary model is becoming outdated and that the localization agenda will eventually eliminate this way of funding work in the country. One representative of L/NNGOs advocated for a formal transition period whereby INGOs can transition their work to L/NNGOs and make a real commitment to reducing their footprint on the ground. However, they and an international private sector interviewee also mentioned that any such changes must be incentivized by donors or

else INGOs will not have a reason to carry this out.

Interestingly, some INGOs interviewed were critical of their own role as intermediaries within this system, with two organizations explaining that INGOs (especially at the HQ level) are often so focused on fundraising to sustain their own activities and programs that supporting L/NNGOs and investing time into changing their operations becomes a lesser priority. Nonetheless, INGOs articulated many ways in which they could help shift the current paradigm. INGOs recognized their own ability to play important roles in supporting L/NNGOs in a more holistic way, particularly in encouraging donors to provide flexible funding for L/NNGOs and helping them with fundraising. Two INGO interviewees asserted that they should evolve into a more technical support-oriented and advocacy role in the future and *“step back at some point and acknowledge that perhaps you’re not the best positioned organization for the job [of direct implementation].”*

While INGOs expressed a willingness to change their role to allow more space for L/NNGOs, there was no evidence of this among UN agencies. One UN agency representative said they

could not envisage a model where the L/NNGOs, which they currently fund could become the prime funding recipient and receive direct funds in the future, as it would not fit the model or mandate of the agency or any other UN agency. They are forced to re-tender for L/NNGOs to fund, who must compete for the field level agreements every couple of years. While UN agencies are sub-granting to L/NNGOs, there does not seem to be an objective to empower them as organizations overall. Two donors noted the high expense of working with the UN, with one acknowledging that less money reaches beneficiaries. However, one of the donors expressed that working with the UN provides a certain security in terms of results.

Despite many criticisms of the intermediary funding model, it is clear that until further progress on localization is made, international intermediaries are a critical funding source for L/NNGOs. While donors and international organizations are reflecting on their roles and seeking incremental change away from the traditional sub-granting model, there is no indication that UN – LNGO funding arrangements will evolve without donors requiring it.

Recommendations:

- Donors should address the domination of resources by international actors and incentivize localization by:
 - Earmarking a certain allocation of funds for L/NNGOs
 - Requiring involvement of L/NNGOs in all funding opportunities and scoring proposals based on this metric
 - Increasing funding to intermediaries with clear policies and systems in place to measure progress on localization
- Donors should make efforts to improve the quality of funding provided in Malawi by increasing the availability of different types of funding, including:
 - multi-year funding contracts
 - flexible funding that can be reallocated to respond to emerging/urgent needs;
 - transitional funding aimed at transitioning responsibility to an L/NNGO
 - pre-positioned funds for crisis response
 - and funding of multiple L/NNGOs in consortium
- UN agencies should review mandates and identify how they can be updated to include shifting power to local actors in order to reevaluate UN agencies' current role in the humanitarian system.



Description

Ellen Tembenu runs her own restaurant in Lilongwe.

Photo: Chris Gagnon/Concern Worldwide.

2.3 Indirect Cost Recovery

KEY POINT:

- ICR is seen as critical for L/NNGOs to be able to retain staff and administer their organizations. However, a lack of concrete policies on ICR sharing means ICR is determined inconsistently and on a case-by-case basis.

As funding through international intermediaries is the primary funding model for L/NNGOs, it is critical to examine how funding is shared in sub-granting relationships. A central issue in these relationships is indirect cost rates and indirect cost recovery (ICR).

Only one INGO interviewed reported having an organizational policy to share ICR with partners, while the majority of INGOs reported that they decide on ICR sharing on a case-by-case basis. Furthermore, their ability to provide ICR depends on factors including donor requirements and the administrative burden that they themselves must take on to manage each project. Nonetheless, many INGOs

emphasized the importance of trying to share ICR and giving local partners flexibility in how this money is spent. L/NNGOs also reiterated the importance of receiving such funding to support their ability to meet their basic operational needs as an organization, as well as to develop their capacity. During the workshop, when discussing barriers to localization, the second most discussed issue was that local actors do not have sufficient resources. Specifically, not receiving ICR can be prohibitive to retaining staff between projects and supporting the administrative efforts needed to run an organization effectively.

Recommendations:

- Donors should require their prime partners to share ICR with partners. Donors can refer to a best practice established by ECHO whereby they require INGOs to explain why they are not sharing ICR if this is the case.
- All international actors should produce policies on ICR sharing.
- ICR should be shared proportionally per partner, based on either the budget or deliverables per partner.

2.4 Compliance and Reporting

KEY POINT:

- Various aspects of compliance and reporting are seen as major obstacles for L/NNGOs, including M&E, the format of reports, audit requirements, and inflexibility regarding usage of funds.

Moving beyond how funding is shared across partnership, compliance and reporting are salient topics among the stakeholders in Malawi as they present major obstacles for local actors in partnership. There was divergence in opinion regarding reporting and particularly the frequency of reporting. Donors emphasized frequent reporting as a burden on local partners and expressed interest in reducing this and co-creating reporting templates with partners to make it easier on them.

L/NNGOs did not cite the frequency of reporting as being a major issue, but they did echo a desire to co-create reporting formats, in their case to enable local/national partners to share what *they* feel is relevant about program impact. In contrast, INGOs expressed concerns with timeliness and accuracy of local partner reporting and mentioned that more frequent reporting was a way to ensure the quality of financial reporting until the local partner has the capacity to produce better reports with large gaps of time between them. L/NNGOs, however, perceived monitoring and evaluation (M&E) and audits as more of a challenge for them than reporting. A representative of a community-based women's forum who received funding from an INGO gave an example where they were provided phones to take pictures of activities instead of writing reports, due to English language difficulties.

Regarding audit requirements, L/NNGOs felt that donors should cover the costs of audits if they are required. This was something mentioned multiple times by L/NNGOs. Other stakeholders (national government, donors, and the Red Cross) mentioned the desire to harmonize due diligence requirements across donors. INGOs also suggested that donor policies should fully dictate what compliance processes are required and that they should be bound by these policies.

One larger impact of compliance and reporting requirements mentioned by multiple stakeholders is a general lack of flexibility when it comes to usage of funds, something most keenly felt when unforeseen crises arise. Stakeholders including, notably, donors and UN agencies, mentioned the difficulty of reallocating funding in a disaster to respond to immediate needs. This was also a point of frustration among local NGO and government officials interviewed for the research who mentioned that funding tends to be rigid and limited in addressing other needs that may exist outside of strict humanitarian response. In one example, L/NNGOs mentioned that funds are limited for longer-term recovery beyond the response period and for preparedness and resilience building activities.

Recommendations:

- Donors, INGOs, and UN agencies can reduce burdens on L/NNGOs by harmonizing due diligence and compliance requirements.
- International actors should establish budgets to fund audits of L/NNGO partners when they are required for compliance.
- Donors, INGOs, and UN agencies should consider co-creating reporting formats with local partners in order to ensure the inclusion of information considered important by L/NNGOs, as well as considering alternative methods of reporting such as gathering photographs, videos, and audio testimonies.

2.5 Alternative Funding

KEY POINT:

- Pooled funds have a notably more limited presence in Malawi compared to the other contexts, though stakeholders expressed interest in utilizing pooled funds to provide rapid response funding or smaller grants to L/NNGOs.
- All stakeholders noted the existence of commercial activities that help L/NNGOs generate income, including small enterprises and space rentals.
- Alternative funding sources are only currently able to provide a modest amount of support to L/NNGOs, and cannot therefore address the need for more bilateral funding to L/NNGOs.

Stakeholders shared various forms of alternative funding that exist outside of traditional bilateral donor funding for humanitarian activities. The World Bank noted that they have some alternative financing mechanisms at their disposal, including so-called “trust funds” and “community-driven development” funding, through which they can provide funding directly to local NGOs. However, as a development bank, they emphasized that they are still constrained by the need to have formal agreements in place with the country government; likewise, when

providing support in a country following a disaster, they must collaborate with the UN system, meaning that these means of funding are still within the same system and not truly an alternative.

Compared to the other country contexts, the discussion of pooled funding options was proportionally smaller. One donor suggested pooled fund mechanisms from other contexts as successful examples which could be adopted in Malawi. For example, pooled funds should be set up and funded through multiple

donors to enable rapid response funding or the provision of smaller grants to local NGOs. This idea was echoed by L/NNGOs and another local stakeholder who mentioned the potential of pooled funds and “pre-positioned” funding for crisis response. However, one donor described a previous civil society fund managed by a UN agency and funded by several donors with the goal of providing smaller grants to local NGOs. It was discontinued due to the expense of managing multiple small grants and doing finance grants to satisfy donor requirements.

Other types of alternative funding were noted repeatedly by multiple stakeholders including INGOs, LNGOs, NNGOs, and nationalized affiliates of international organizations. In particular, the option of generating alternative income streams through commercial activities was a notable point of consensus. Specific examples included several types of private enterprises, including agricultural activities and micro enterprises like solar kiosks or other social enterprises. Another recurring example was the ability to use physical spaces as revenue generating opportunities, for example renting extra office space or parts of church facilities.

Additionally, some local and international stakeholders mentioned the option for grassroots fundraising. One Chikwawa-based LNGO cited an interesting example whereby they have been able to mobilize funding from an online crowd-sourcing platform that allows them to receive direct donations from individuals in the Global North.

Despite the existence of multiple alternative funding streams, many stakeholders, particularly L/NNGOs, INGOs, and UN agencies, noted that many of these share a common pitfall which is that they typically can only be used to fund project activities, rather than overhead expenses (e.g., salaries) for the organizations. In this way, while they may offer ways for L/NNGOs to diversify their income streams, they may not address some of the key issues that characterize traditional funding streams. The potential funds that can be raised are also quite modest, so without a substantive increase in funding from bilateral donors, the impact on L/NNGOs will be limited. There was an overall agreement by INGOs and L/NNGOs that L/NNGOs need to be able to better raise their own funds regardless of the source.

Recommendation:

- In-country donors should establish a pooled fund exclusively for L/NNGOs.

“You can bring in a foreign point of view, expert point of view, but you should also work with local people...When we have an evaluation, it’s always ‘we’re going to send a team from Belgium’. And I was like, no, no, no, no, these people have never been to Malawi... You cannot expect that when they come here for five days doing 20 interviews that they understand the Malawian perspective.”

- NNGO, Malawi



Description
pond in Samu Village, Neno District.
Photo: Chris Gagnon/Concern Worldwide.

Section 3 - Human Resources

The final category of barriers examined in this research were those related to Human Resources. This category was broadly split between two issues: capacity and staff cycle challenges. In Malawi, the issue of capacity generated more discussion than any other context in both the workshop and the key informant interviews. The following were the highest ranked barriers in this category in the pre-workshop survey:

1. Capacity strengthening is often programmatic in nature, not institutional.
2. Available training is designed by international actors, not based on actual training needs.
3. There is little or no programmatic budget allocated for training and capacity strengthening needs.

The above results show that not only were the three top-ranked barriers related to capacity, but all relate to efforts to improve or strengthen capacities. During the workshop, the participants interrogated the underlying issues behind the barriers to localization. The most common underlying reason was the perceived low capacity of local actors.

The following section looks in depth at this issue of perception of capacity, unpacking the capacities that local actors report to have and those that they are still seeking. This is followed by a discussion of existing attempts to strengthen local capacity and their effectiveness. Finally, this section will cover the elements of human resource challenges related to recruitment and retention.

3.1 Local Capacities and Gaps

KEY POINT:

- L/NNGOs are seen to have significant capacity in terms of their extensive knowledge of local context and communities. Their organizational capacity, particularly in areas such as financial management, is perceived to be very weak.
- L/NNGOs are also seen to have challenges with transportation and mobility due to their comparative lack of resources when contrasted with international actors.

Capacity is frequently seen as one of the major barriers to localization, typically cited by international and local actors alike as a reason for which L/NNGOs do not receive more direct funding or play a greater role in humanitarian activities. The research explored various understandings of capacity on the part of different stakeholders involved in Malawi's humanitarian sector. Participants agreed that

there needs to be a systematic and holistic review of the definition of capacity, since there are often differences of opinion between stakeholders on what capacities are the most important and necessary for effective humanitarian response. This section will outline how different actors define their own capacity, and what capacities they are seeking to strengthen.

In the project research, local actors expressed that their most valuable assets are their experience with and proximity to affected communities. This is evident in what they have been able to achieve so far with the limited resources available to them. This perception was shared by international stakeholders as well as other local stakeholders and community members, who similarly view L/NNGOs' most important capacities as being related to their extensive knowledge of the local context and local communities. Additionally, their ability to manage relationships and conduct / maintain / facilitate stakeholder engagement was praised. Finally, given their proximity to local communities, they are best positioned to be the first to respond to crises, even with the limited resources available.

However, L/NNGOs also acknowledged many capacity gaps that they have alongside these capabilities, mostly concerning organizational capacities. This view was shared by the other stakeholder groups. Donors and UN agencies who were interviewed characterized L/NNGOs' organizational capacity as weak overall. One donor mentioned that while they have seen great local partners, most have not been able to move forward enough to have sustainable management and financial practices that demonstrate their ability to handle more resources. One INGO added some nuance to this, specifying that L/NNGOs' capacity is volatile because it is built up significantly when they are operating a project but tends to collapse when that funding ends. Stakeholders also noted a similar lack of capacity among local government authorities, which sometimes poses issues as they are relied on to communicate accurate assessments in emergencies.

L/NNGOs agree that they have challenges with capacity, stating financial competencies,

particularly audits as areas where they are lacking. This is true even of larger NNGOs who may already have a greater level of capacity than other local organizations but still seek capacity strengthening in areas like strategic planning, auditing, business development, etc. They also mention resource mobilization as an overall critical gap. However, L/NNGOs also pointed out that donors often are solely focused on the size and organizational structure of potential local partners, to the exclusion of their programmatic quality.

At community level, a member of a CBO responded that they would have the capacity to manage grants if it were accompanied by training on the donor requirements and support of staff who would facilitate compliance. Community members expressed their confidence in the capacity of the local organizations to respond especially since most of them are managed by locally based Malawians who have a clear contextual understanding and experience. However, they were not confident in their ability to manage grants directly from donors because most of them do not have systems in place and are less likely to be accountable than INGOs.

A separate but frequently mentioned and concrete example of capacity gaps in LNGOs and local government authorities is the lack of mobility (due to lack of cars, bikes, or other transport methods) that these actors have. This severely constrains their ability to be effective and reach affected communities and work strategically to grow their operations to other nearby communities. This lack of mobility also greatly impacts a local organization's ability to engage in coordination mechanisms located outside their region of operation.

Recommendations:

- All international actors should reflect on the capacity gaps they perceive to exist among L/NNGOs, consider what evidence does or does not exist to drive these perceptions, and consider what capacity gaps of their own they may have when operating in Malawi.
- Time should be invested by international actors to understand what capacities matter most at the community level and what capacities exist locally already.

3.2 Capacity Strengthening

KEY POINT:

- Participants expressed concern at the efficacy of current capacity strengthening offerings in Malawi, specifically that they are not always driven by the real needs of L/NNGOs and that they are often not accompanied by opportunities to apply the learnings. Moreover, trainings tend to address individual skills rather than support organizational capacities.
- Trainings are poorly targeted due to a lack of coordination and tracking, resulting in certain people receiving the same trainings multiple times while others do not receive them.
- There was consensus that the practice of giving per diems/stipends to training participants undermines training goals by creating an incentive to participate in trainings that is not driven by a desire to acquire skills.
- There is a lack of dedicated funding for capacity strengthening overall.

Despite the recognition of profound capacity of local actors, there was consensus among stakeholders at both the local and international levels around the need for additional capacity strengthening. There has been no lack of capacity strengthening initiatives in Malawi over the past decade, yet capacity gaps persist. The failure of capacity strengthening initiatives to date provoked much discussion during the workshop. When asked what had gone wrong and what would need to change, the responses

from local and international stakeholders focused on the need to reimagine and define how capacities can be developed, and move towards capacity sharing approaches, rather than “capacity building,” which implies there is limited or no capacity there in the first place. Participants also mentioned the lack of clear guidelines provided to local organizations about what having full capacity looks like and varying thresholds depending on the donor.

Interviewees discussed a few major issues with current capacity strengthening offerings. There was general skepticism expressed about the relevance and effectiveness of typical training workshops, particularly one-off trainings, as they do not offer a holistic approach that ensures that trainees will be able to apply the knowledge gained. The efficacy of trainings was seen by L/NNGOs and INGOs alike to be highly dependent on this factor of opportunities to practice skills learned. Additionally, as indicated in the top barriers related to human resources, international actors designing trainings without considering the needs of L/NNGOs means that existing training opportunities may not be demand- or evidence-driven. A good practice was highlighted to address the latter issue, whereby a large INGO asks their partners to self-assess their capacities and identify where they have gaps.

Second, INGOs highlighted targeting as a major defect within the current training landscape in Malawi. Targeting for training initiatives is often poorly done, meaning that the same people may be receiving the same trainings more than once while many others who would benefit from these trainings are not receiving them. This was attributed to a lack of overall coordination or a central repository of information. A suggestion was made that there needs to be a central database where this training information can be stored. There could also be a potential role for the L/NNGO Forum here, not only in terms of tracking, but also identifying organizations that could contribute to capacity strengthening efforts by mentoring or otherwise supporting others. One L/NNGO noted that a certain responsibility lies with

them to ensure that the right individuals are targeted, but also that there needs to be a point where L/NNGOs can share capacities with each other, rather than relying solely on an international organization for such opportunities.

Third, almost every stakeholder interviewed raised the issue of allowances/per diems being given to attendees, which is seen to undermine the learning objectives of said training. Stakeholders mentioned this as a particular cultural phenomenon in Malawi, where the norm is to provide an allowance to participants. As such, many consider this to be the primary incentive driving some individuals to participate in capacity strengthening activities, rather than a genuine desire to acquire new skills.

Finally, funding of capacity strengthening activities was reported by stakeholders to be inadequate overall. There were no reported funding streams targeted solely at capacity strengthening activities, but the donors interviewed were open to funding these activities. One donor stated that by not funding capacity of L/NNGOs, donors are being “*short sighted.*” There is also a need to ensure that capacity strengthening is organization-wide so that efforts are not lost if specific individuals leave an organization. One donor mentioned the need for there to be a long-term approach when funding these initiatives that is anchored within partnership agreements and not based on one-off events within a project. Donors and INGOs also acknowledged the need to move beyond technical workshops, provide broader support at a systems level, and increase the focus on institutional growth, rather than individual competencies.

Recommendations:

- Capacity sharing approaches should be adopted by international actors in lieu of traditional capacity “building” approaches, taking into account the unique capacities of local actors that international actors can learn from.
- Organizations providing trainings should cease the practice of paying per diems to attend capacity strengthening activities in order to incentivize attendance for the sake of learning.
- International actors should promote the use of Organizational Capacity Self-Assessments by L/NNGOs as a starting point for capacity sharing, and should co-design capacity strengthening initiatives with partners to ensure that they are relevant and demand driven.
- International actors should improve the quality of capacity strengthening offerings by providing opportunities to apply skills and ensuring that activities address organizational capacity, not just individual.
- Donors should provide funding streams for the sole purpose of capacity strengthening.
- All actors should develop a centralized system to track training participants and topics to avoid duplication.



Description
Anderson Bisent works as a tailor in Mchakalima village, Nsanje District.
Photo: Chris Gagnon/Concern Worldwide.

3.3 Staff Recruitment & Retention

KEY POINTS:

- The limited financial resources possessed by most L/NNGOs drives several issues with recruitment and retention, driving major salary discrepancies and making it difficult to recruit qualified staff.
- The dominance of project-based (as opposed to long-term) funding for L/NNGOs often precludes them from retaining staff in between funding cycles, leading to frequent turnover.
- While issues of “poaching” and “brain drain” from L/NNGOs to international organizations were raised as challenges, they were cited as less of a concern to L/NNGOs than overall recruitment. Staff training was seen as a factor that increases the likelihood of such staff moves.
- In terms of the staffing structures of organizations, the local vs. international distinction is blurred by the practice of staffing INGOs largely with Malawians; however, this practice is not seen as adequate for addressing the inherent and persisting power dynamic between international and local organizations.

It is clear that adequate staffing is essential for L/NNGOs to be able to effectively respond to emergencies in Malawi. There are several barriers cited by local and national actors which harm their ability to staff their organizations, including lack of qualified staff, short-term funding, and turnover. While some of these challenges are also cited by INGOs, unique challenges are faced by local and national actors in staff recruitment and retention related to salary discrepancies, poaching, and the nationalization of international NGOs.

A major barrier highlighted by L/NNGOs and local government was a particular lack of qualified applicants and lack of sufficient financial resources to adequately pay qualified staff such as accountants. As a result, local organizations are frequently operating without qualified financial staff. Smaller L/NNGOs, in particular, tend to have extremely low staff resources and rely

heavily on volunteers to operate. This often means that many of the individuals working with these organizations do not have adequate experience and skills to respond effectively to disasters. From the community perspective, recruitment of community members was seen as beneficial as it gives the community itself a better connection to the organizations' work.

In terms of retention, all stakeholders agree that retention is a primary challenge facing L/NNGOs. Stakeholders attributed this to three primary causes. First is the reality of the funding that most L/NNGOs receive, which, as described elsewhere in this report, is overwhelmingly project-based rather than long-term. Donors, INGOs, and L/NNGOs all described how this leads to a lack of the core funding and operating budgets that are needed to retain human capacity, specifically staff who can be hired on a long-term basis, rather than project by project.

Second is a conundrum related to training of staff in L/NNGOs. Training of staff in L/NNGOs tends to drive turnover as these staff members become more marketable because of their training and often leave for better-paying jobs. Thus, though training is designed to increase the capacity of staff at a given organization, it may paradoxically result in undermining the organization's capacity due to turnover. One local government representative highlighted that this is also an issue for government, but suggested that this is a normal part of peoples' career trajectories and should not discourage the implementation of continuous training.

A third and very salient issue driving retention challenges for L/NNGOs is the salary discrepancies that exist between L/NNGOs and INGOs. All stakeholders acknowledged this salary discrepancy which introduces multiple issues, primarily pulling talented staff away from local organizations but also creating a situation whereby INGO employees can become complacent, as noted by one donor (see quote). Another donor described the impact of salary discrepancies as a type of internal "brain drain" from local to international entities operating in Malawi. While all stakeholders acknowledge the fact that salary discrepancies are unjust and a major barrier to localization, solutions were

difficult to find. One L/NNGO asserted that the only way to achieve salary equilibrium would be for the government to enact legislation requiring that INGOs and L/NNGOs design projects together including budgets and salary levels.

Through the research, stakeholders were also asked about various staffing structures within L/NNGOs and INGOs in Malawi and what the ideal roles are for local and international staff. This elicited interesting contrasts. One donor mentioned that it is ideal for projects to be staffed locally with international staff providing technical assistance; however, an INGO asserted that international advisors must be based in-country so that their expertise is informed by local context as HQ-based staff are otherwise disconnected from important contextual factors. This INGO felt that ensuring that international advisors are giving relevant advice is an important part of localization, but also the larger push for decolonization of aid. One donor echoed this opinion and had explicit strategies to phase out the use of international experts. Another donor cited similar concerns to the INGO above that important processes like evaluations are carried out by experts from Europe with no knowledge of the Malawian context.

“There's also the salary issue and the international NGOs, they are often paid four or five times more than what people would earn with a similar degree in a local organization. And obviously we are the ones contributing to that And you pull the best people away [from L/NNGOs] and then what you also get is even worse. When people have a position in an international organization or an embassy, they settle down often because they know this is it. I am not going to earn more money than this. But then they relax, and they stay for 20 years in the same position. But they are no longer productive. They are not innovative in their thinking.”

Despite the influence of aforementioned international experts, many INGOs are mostly, and in some cases entirely, staffed by Malawians. This contributes to a slightly blurred perception of how “local” an organization is. Despite general commitment to nationalizing expert roles and other staff, an INGO pointed out that nationalizing staff within an INGO still does not address the inherent power imbalances between international and local organizations.

The last major topic related to recruitment is the oft-cited issue of “poaching”, whereby INGOs recruit staff away from L/NNGOs. On this topic, INGOs stressed the importance of maintaining transparent communication with local partner organizations related to staffing and recruitment, so as not to undermine them. One INGO pointed out a commitment to not do this in the [Charter for Change](#), however, there is no best practices or methods of accountability that are available for the public to track performance against this commitment.

Several INGOs acknowledged that it was bad practice to recruit from partners, but also described the difficulty of this issue in terms of the need to balance the good of the partner organization and project with the rights of staff to seek opportunities for career growth. Lastly, in the pre-workshop survey, when asked to rank the barriers related to human resources – the L/NNGOs that responded ranked “poaching of national staff by international organizations” as 9th in importance out of 10, suggesting that the issues of capacity and recruiting qualified staff in the first place are the bigger concerns for L/NNGOs, not poaching.

Despite the prevalence of poaching and the transition of highly trained staff from local to international organizations and roles, there was not a clear push to discourage this process. The desire to maintain this career progression pathway for local and national actors to gain experience and financial and professional security was clear. Being able to enter a competitive market as a local or national actor was seen as an asset, despite clear implications for the stability of a local or national organization.

“You’d see the partner staff applying for positions increasingly because when they want professional growth, they want exposure, and they also want economic growth. So that’s where the human face comes in. So, if you put [a] policy in place, we’re also not doing good to the person who wants to grow. ... but at the same time, it limits that organization because they have to find a replacement and maybe the deliverables that you want wanted go down because you [recruited] that person who was key.”

- INGO, Malawi

Recommendation:

- Best practices on ethical recruitment with accountability measures need to be published by international actors and reported against.

“Even if we have two international staff [and] they become Malawians tomorrow. That is diversity. That is perhaps inclusion, but it is not localization. We are still an international organization, just happens to be led by someone capable from the country. But that person still can call up [HQ] and say, I need this and this, or We have an issue. So localizing roles is not localization. It is perhaps diversifying and it's perhaps being more inclusive.”

-INGO, Malawi



Description

Elvis Thom (59) standing with the solar pump donated by Concern. Nzinja Village, TA Kanduku, Mwanza District.

Photo: Chris Gagnon/Concern Worldwide.

Conclusions

The Malawi case study of the Beyond Barriers project revealed that progress towards localization of humanitarian aid in this context has been limited, in comparison to the other contexts in this research project (NW Syria, Bangladesh, DRC and Somalia). Many of the challenges that should inhibit localization such as access constraints, security challenges and concerns of aid diversion do not exist in Malawi. Despite this, there has not been a significant shift in resources or power to local actors and the communities do not feel that they have any level of control or influence on the responses that affect them.

While the focus of the research is humanitarian aid, this case study revealed that it is difficult to examine the topic of localization exclusively through the prism of humanitarian aid. This is especially the case in Malawi where most aid is development focused, with humanitarian aid mostly coming in response to disasters. Disasters, which are mostly climate induced, are becoming increasingly frequent. This necessitates a more holistic approach to supporting communities and, indeed, localization. The Grand Bargain's renewed focus areas in 2023 include the Nexus and this is particularly relevant to Malawi.

The themes of the research project funding, human resources and power a partnership were analyzed separately. However, during the research, it became clear that all the barriers identified are interrelated, with each causing and affecting the other barriers. The intertwined nature of the barriers illustrates the complexity of localization and the difficulty in developing practical solutions. It is clear that a proposed solution to one barrier to localization, will often come at the expense of another. It is, therefore, necessary to take a holistic or 'eco-system' approach when trying to identify solutions to localization. The aid sector is accustomed to using logical frameworks and results-based management; however, it is important to understand linear approaches to solutions will not be effective.

The goal of localization, to achieve locally-led aid responses, requires systemic change. As referenced by GMI in "[Localisation: Holistic Perspectives Urgently Needed](#)," the "[six conditions of systems change](#)" developed by FSG, illustrates the need to address systems change at three levels: structural, relational, and transformative. Much of the focus on localisation remains at a structural level – new policies, improved practices, and innovative resource flows. While all of these are necessary, without addressing the relationship and connection issues, power dynamics and the mindset or beliefs that inhibit localisation, the 'shift in power' required for locally-led responses is unlikely to occur.

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