Beyond Barriers

THE DEMOCRATIC REPUBLIC OF THE CONGO CONTEXT REPORT

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ACRONYMS

CBO	**Community Based Organization**
CONAFOHD	**Conseil National des Fora des ONG Humanitaires et de Développement/ Platform of National Fora of Humanitarian and Development NGOs**
DRC	**Democratic Republic of Congo**
FGD	**Focus Group Discussion**
GBV	**Gender Based Violence**
HCT	**Humanitarian Country Team**
HF	**Humanitarian Fund**
HRP	**Humanitarian Response Plan**
ICR	**Indirect Cost Recovery**
IDP	**Internally Displaced Person**
LNGO	**Local Non-Governmental Organization**
INGO	**International Non-Governmental Organization**
LNGO	**Local Non-Governmental Organization**
L/NNGO	**Local/National Non-Governmental Organization**
MONUSCO	**Mission de l'Organisation des Nations Unies pour la stabilisation en République Démocratique du Congo**
NNGO	**National Non-Governmental Organization**
OCHA	**Office for the Coordination of Humanitarian Affairs**
PWD	**People living with Disabilities**
R&R	**Rest and Recuperation**
SEA	**Sexual Exploitation and Abuse**
UN	**United Nations**
UNHCR	**United Nations High Commissioner for Refugees**
WFP	**World Food Program**
WASH	**Water, Sanitation, and Hygiene**

EXECUTIVE SUMMARY

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 a researcher team 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, Democratic Republic of Congo, 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 the Democratic Republic of the Congo (DRC).

Country Context

The humanitarian crisis in the DRC has been characterized by decades of armed conflict dating since the First Congo War in 1996. This violence has been fueled by the presence of armed groups from neighboring countries as well as conflict over the country's abundant natural resources. For the last two decades, DRC has had the largest number of Internally Displaced Persons (IDPs) on the African continent, with a record 6.9 million IDPs being recorded in 2023. The DRC also has the world's largest number of food insecure people, with one in four Congolese in a population of 99 million unable to meet their basic nutrition needs, and malnutrition the cause of nearly half of child deaths under five years old (World Bank 2024). The UN Human Development Index, which is a composite index of life expectancy, education, and per capita income, ranks the DRC 179 out of 191 countries, placing it in the bottom 10% globally (UNDP 2024). The vulnerability of people living in the DRC is further compounded by the prevalence of diseases such as malaria, cholera, and Ebola.

The humanitarian system is principally coordinated by the UN, specifically UN OCHA. The UN has 22 organizations working within the DRC. The Humanitarian Country Team (HCT) is led by the United Nations Resident Coordinator, who is responsible for coordinating the humanitarian response efforts (UNSDG 2024). As of 2023, five L/NNGOs are represented at the HCT.

A major step forward for L/NNGOs in DRC has been the emergence of an umbrella coordination body CONAFOHD (Conseil National des Fora des ONG Humanitaires et de Développement/ Platform of National Fora of Humanitarian and Development NGOs), which has unified the coordination platforms from the five territories with the greatest concentration of L/NNGOs in DRC – Kinshasa, North Kivu, South Kivu, Tanganyika (ex. Katanga) and Ituri.

In the first week of October 2023, CONAFOHD called the first-ever country symposium gathering both the government, national and international humanitarian organizations, and bodies to have one definition of localization in the DRC context.

Funding

Funding for L/NNGOs in the DRC is at the crux of the challenge of progressing localization in DRC. Direct funding of L/NNGOs in the country is still rare due to challenges with donor due diligence requirements, perceptions of risk, and doubts over L/NNGOs' ability to manage funding. This research shows that there is not a shared understanding among donors of what localization looks like in practice, which contributes to a significant divergence in funding practices among donors, with some dedicating considerable efforts to funding L/NNGOs directly while others consider funding to the country-based pooled fund as adequate.

Other donors have policies that explicitly prevent direct funding of L/NNGOs. Access to donors emerged as a major challenge for L/NNGOs, driven by the predominance of intermediaries as well as significant geographical access barriers and language barriers. One donor has, however, made significant strides in proactively seeking out L/NNGOs to fund through a process that invites L/NNGOs to apply for funding and gradually increases their support.

The predominance of funding through international intermediaries (INGOs and UN) is seen as a major inhibiting factor for localization in DRC which perpetuates the treatment of L/NNGOs as subcontractors rather than full partners. Stakeholders highlighted a particular challenge with funding via UN intermediaries, mentioning that UN funding is usually limited to one-year grants and is often not seen as providing adequate support costs to L/NNGO grantees. The power held by UN agencies also leads to them being perceived as donors rather than implementing partners. Improvements in the quality of funding through partners were viewed as crucial. Positive examples included funding consortia of L/NNGOs and gradually transitioning project ownership from INGOs to L/NNGOs over time.

A lack of consistent provision of indirect cost recovery (ICR) to L/NNGOS is seen as a major disadvantage for these organizations and an impediment to localization, since it undermines their ability to strengthen their overall operations and capacities. This inconsistency is driven by a reluctance by INGOs to share equally, together with a lack of donor policies guiding the provision of ICR to local partners.

Pooled funds, including the UN OCHA-managed country-based pooled fund (CBPF) and the Start Network's Start Fund, are regarded as important sources of direct funding for L/NNGOs in DRC. These pooled funds have themselves demonstrated a clear commitment to localization, with the proportion of fund allocations going to L/NNGOs increasing over recent years. However, while pooled funds are generally regarded positively, they still represent a very small proportion of overall humanitarian funding in DRC and thus cannot be responsible for advancing localization alone. Furthermore, stakeholders highlighted several challenges with CBPF including stringent eligibility criteria, the prevalence of short-term contracts, and the need for L/NNGOs to compete with INGOs for funding.

Human Resources

The Beyond Barriers research covered a number of important human resources-related barriers to localization, broadly related to the capacity of L/NNGOs and staff cycle HR issues such as recruitment and retention.

While there is a consensus among stakeholders that L/NNGOS have challenges in the area of organizational capacity, stakeholders diverged on the importance of this issue as a barrier to localization. INGOs perceive this to be the main obstacle to localization, whereas L/NNGOs cite direct funding, competition, and donor-related issues as bigger challenges.

While L/NNGOs are perceived to be weak in administrative/organizational areas such as risk and financial management, there is also a clear agreement around their significant capacity in technical and programmatic areas. Stakeholders highlighted L/NNGOs' superior contextual knowledge and ability to effectively access and work with communities.

Stakeholders agreed on the need for capacity strengthening opportunities to support L/NNGOs, but noted many limitations of current capacity strengthening offerings, namely an overemphasis on technical skills vs. organizational/administrative skills, an overemphasis on training personnel vs. building organizational structures, and limited funding to allow implementation of learnings.

There was broad consensus that INGOs and UN agencies could play a major role in transferring skills to local actors, though this may require more flexibility from donors to allow funding to be spent on capacity transfer initiatives. Two-way secondments between L/NNGOs and INGOs were also seen as a promising method for capacity strengthening.

L/NNGOs expressed an interest in a paradigm shift from capacity strengthening to capacity sharing, whereby there could be a two-way sharing of skills between international and local actors that recognizes the unique capacities of each. This idea was supported by some international stakeholders.

In the area of staff cycle HR, retention of staff was raised as a major issue by L/NNGOs. This challenge with retaining staff hinders localization by regularly undermining L/NNGOs' human resources capacity. The major funding discrepancies between INGOs and L/NNGOs is seen as a key driver of this dynamic, with L/NNGOs unable to compete with the salaries and benefits of INGOs due to their significantly smaller financial resources.

Power in Partnership

Stakeholders expressed a desire for power in the system to be inverted. International actors (Donors, the UN, and INGOs) are perceived to hold the most power. In an ideal scenario, most stakeholders wish to see a system where affected communities, L/NNGOs, and local and national governments have more power. There is broad dissatisfaction among local and national stakeholders about the way they are regarded by international actors, often in a manner that does not convey mutual respect.

It is important to note that while much emphasis is understandably placed on power imbalances between local and international actors, there are also major power dynamics present between organizations that broadly fit under the umbrella of L/NNGOs. This is particularly pronounced along geographic lines, with L/NNGOs with offices in Kinshasa or Goma seen as having a major advantage over organizations based closer to communities.

Stakeholders widely acknowledged the risk of power and resources being concentrated around a handful of larger NNGOs at the expense of smaller NNGOs and LNGOs, as well as the risk of "internationalizing" L/NNGOs to the extent that their connections to their communities will be undermined. L/NNGOs called on donors to ensure that their funding decisions do not lead to the proliferation of funding around a small group of larger NNGOs.

The research also examined trust as a key factor in facilitating progress on localization. Mistrust was found to be widespread in the humanitarian sector in DRC, with mistrust proliferating between local/national and international entities and with widespread mistrust directed towards the government from all sides. Communities, L/NNGOs, and INGOs alike recognized the preference of international entities to implement directly as a major obstacle to trust and partnership in the sector. This practice is itself motivated by a lack of trust in L/NNGOs to implement effectively.

CBOs and L/NNGOs report that they are frequently not treated as equals by international actors, further undermining possibilities for partnerships based on trust. Both L/NNGO and INGO research participants ranked "inequitable and uncomplimentary partnership" as the second most important barrier to localization related to power in partnership, reflecting a widespread belief that most partnerships are not truly equitable.

For L/NNGOs, a key manifestation of this inequality is their lack of inclusion in planning and decision-making processes and the unilateral way in which international actors tend to make decisions about programmatic activities. This was felt particularly keenly in partnerships with the UN, though it is also an issue with INGOs. Some INGOs provided examples of positive partnership practices, including co-development of partnership agreements and terms and developing strategic partnerships outside of response efforts to establish longer-term relationships.

While stakeholders widely acknowledge the existence of many forms of risk in the humanitarian context in DRC, differing perceptions of risk and risk mitigation policies can be seen as barriers to localization. At a global level, donors often have conflicts between their stated support of localization on the one hand and strict risk mitigation strategies on the other hand, which often effectively preclude them from partnering with L/NNGOs. Donors' perception of L/NNGOs as lacking robust risk mitigation and financial management strategies drives their tendency to concentrate funding in the hands of INGOs or select large NNGOs. Stakeholders reported an inequitable sharing of physical/security risks, with LNGOs frequently bearing the brunt of frontline dangers mostly because they have less resources with which to maintain robust security procedures.

Photo: Gabriel Nuru/Concern Worldwide

Mrs. Mahoro Urankunda (28) lives with her husband Sadiki Gurinzira (28) in Mushaki area in Kishwati village, together they have two children.
Photo: Rwankuba/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 for 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 for Humanitarian Assistance (BHA), was undertaken with the intent to diagnose the enduring barriers to localization and propose actionable and operational solutions. With an emphasis on operational solutions, the study focused on three core areas: funding, human resources, and power dynamics in partnership. The study was conducted in five country contexts (Malawi, Bangladesh, NW Syria, Somalia, and the Democratic Republic of the Congo) 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 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 DRC 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 DRC. The key research findings for the three core pillars – Funding, Human Resources, and Power in Partnership will follow, highlighting major areas of consensus and divergence among stakeholder groups that participated in the research. Finally, the report 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 program focused its research activities on five countries, characterized by a variety of crisis drivers (conflict, climate, or both), and perceived progress on localization. DRC was selected among the cases due to its ongoing and protracted conflict-driven humanitarian crisis and the perception that power and resources within the humanitarian system were still largely in the hands of international actors. The research in DRC was conducted in partnership with IES Congo and Gang Karume.

The research was divided into three key phases. In Phase I, research was conducted in the five study countries in partnership with Local Academic Research Partners. Research activities included a one-day stakeholder workshop, key informant interviews (KIIs), and focus group discussions (FGD). Interviews and focus group discussions were undertaken in person in Kinshasa, Kalemie, Bukavu, Kalehe (South Kivu) and several virtually with stakeholders in Goma.

Stakeholder Workshop

The stakeholder workshops brought together practitioners from local and national NGOs (L/NNGOs), international NGOs (INGOs), and UN agencies. 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.

Key Informant Interviews

The research carried out key informant interviews 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. A total of 50 Key Informant Interviews were conducted, which were semi-structured and qualitative in nature. Most of these interviews were in-person, with some over Zoom or telephone. Interviews were conducted in French and English. These conversations lasted an average of one hour and were recorded and transcribed (using Sonix.ai) with the respondent's permission.

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

Focus Group Discussions

Community group discussions were held in South Kivu province (Bukavu town and Kalehe territory). Eight (8) Focus Group Discussions (FGD) were conducted and attended by 32 people among them 10 women.

During Phase II of the project, an extensive data analysis process was conducted. The data analysis was carried out utilizing the Dedoose platform. The research team analyzed qualitative data by categorizing it 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 types, 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 developing 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 academic research partners and revised with the guidance of Concern Worldwide's country teams.

Across all five study countries, the Beyond Barriers project engaged 172 individuals in workshops, conducted 288 key informant interviews, and 23 focus groups 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 IES Congo. 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 IES Congo.

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 monolithic, and the research project met with organizations ranging 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 DRC. 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 KIIs 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

Map labels: NW SYRIA, BANGLADESH, SOMALIA, DRC, MALAWI

DRC

Interviews
- **1** Nationalized/Affiliate
- **2** Community KII
- **2** Community FGD
- **7** Donor
- **11** INGO
- **1** National Government
- **2** Other
- **25** L/NNGO
- **9** UN Agency

Map labels: Kinshasa, Bukavu/Kalehe South Kivu, Kalemie Tanganyika
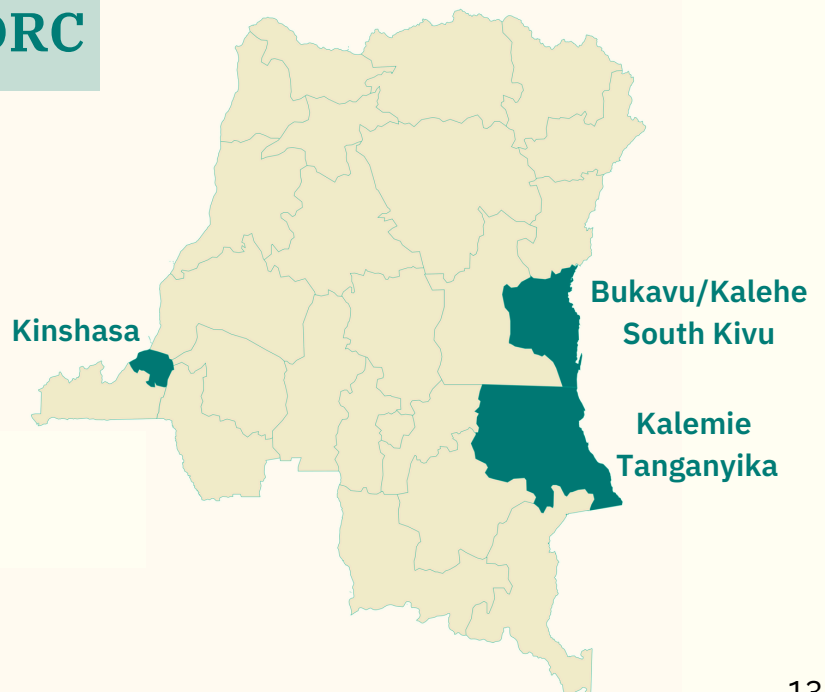
"
"It is clear as one can see, vulnerable communities and us local actors are the weakest of the groups but everyone pretends to work for us with respect and dignity. It's the opposite."

Community Member, DRC

Community Lens

Throughout the key informant interviews, workshop, and focus group discussions, there was universal consensus on one thing: crisis affected communities have the least power among the humanitarian actors in the DRC. However, there is also wide agreement that in an ideal system, the power structure should be the inverse, with crisis-affected communities and local actors–like CBOs and LNGOs–at the top. Much of the localization discussion has revolved around the empowerment of local organizations. This has meant mostly NNGOs and LNGOs, and to some extent CBOs, but this view of localization misses one critical element: the fact that the first responders in situations of crisis are the local communities themselves - the religious networks, neighbors, laborers, and local leaders.

Given the amorphous structure of civil society, the focus has been on developing a power layer once removed, e.g., local organizations. However, this interpretation puts an emphasis on the localization of systems (local partners) versus the localization of responses (local peoples). In reality, particularly in the DRC context where ethnic violence and armed group incursions spark mass displacement, the burden of aid falls upon host communities where the crisis affected land. These first (and last) responders are not formally organized and, therefore, not easily fundable. Therefore, the sector needs to consider adapting the conceptualization of localization.

Humanitarians are prone to viewing it in the form of a humanitarian system. Local communities view it from a local lens. Localization is more than organizational status, it is wider community participation, and just as importantly, community decision making. As one local representative put it, *"the communities should have the final word that every stakeholder will have to respect and value above all"*.

Lastly, a major theme, particularly in focus group discussions at local level, was a firm recognition that responsibility for humanitarian action lies with the DRC government, even if they are not yet at a place where they can manage it. Throughout the 15 FGDs with communities and CBOs, the word "government" was mentioned 76 times. Many lamented that the government–at all levels–does not have the capacity to step up, while others hypothesized that they have been either corrupted or sidelined by international actors. But across the board there was a sense that once the Congolese government has taken responsibility for humanitarian aid, it will be a giant step to a more localized response.

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"I am not on the 'how' power should be distributed. I am on the "how" the DRC government, at all levels, should take on its primary role of looking after its population's welfare, and the rest will automatically follow. In other words, above I have said it is on the one hand them (donors, the UN and INGOs) and on the other hand us (government, NNGOs, civil society and communities). Now I want the government to be first, and all other stakeholders including us and communities to line up behind, each one respecting its mandate."

Focus Group Discussion, DRC

Francoise Kakuji, 70, and her vegetables for sale at the central market of the town of Manono, Tanganyika Province. The region is beset with malnutrition and chronic poverty, but programmes run by Concern Worldwide are working to alleviate this. Products grown on rural farmland as part of Concern Worldwide's Food for Peace programme are often destined to be transported to, and sold at this market.

Photo: Hugh Kinsella Cunningham/Concern Worldwide

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Section 1 - Power in Partnership

Power dynamics inherent in the humanitarian system are of critical importance to localization and highlight the relational and behavioral components of a shift to a more localized response. **Further, power dynamics underpins 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 the DRC, 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 direct implementation.

2. Current partnerships are not complementary or equitable.

3. There is a lack of trust between international and local actors.

The subject of power is immense, and highly contextual in nature. This section of the report aims to discuss the ways in which power manifests in the operational setting, 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 expressed a desire for power in the system to be inverted; while they assessed that international actors (donors, the UN, and INGOs) currently hold the most power, most stakeholders wish to see a system where affected communities, L/NNGOs and local and national government hold more power.

- There is broad dissatisfaction among local and national stakeholders about the way they are regarded by international actors.

The presence of international aid in the DRC can be traced back to Catholic and Protestant missions of colonial times. These early organizations supported development through the founding and running of schools and hospitals financed by European and North American communities. While the system has evolved significantly since then, a hierarchy persists today, which could be described as neocolonial.
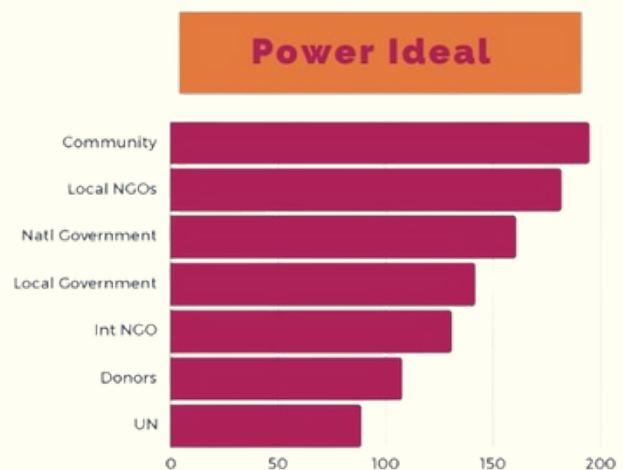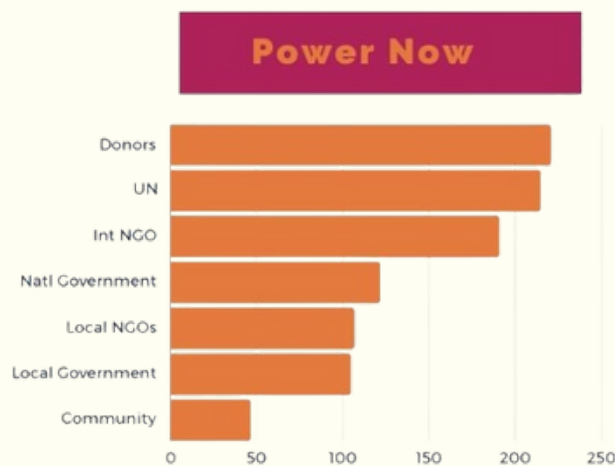
Donors, primarily from Western countries and international institutions, provide the majority of funding for humanitarian programs and, therefore, maintain a substantial influence over strategic priorities, resource allocation, and programmatic decisions. As discussed in previous sections, donors set compliance requirements that shape the operations of implementing organizations, influencing how and where aid is delivered and who can be trusted to deliver it.

In this research, L/NNGOs argue that they should be given the same opportunity to develop, grow, and develop capacity with donor support as the INGOs that now dominate their humanitarian landscape.

In addition, international aid agencies must recognize that local systems and structures vary widely across different regions and contexts within the DRC and that the imposition of external systems can disrupt and destroy local initiatives or create less efficient ones due to lack of understanding of existing structures.

Insights from FGDs with communities highlight the perception that "participation of affected communities," as specified in Focus Area 1 of the Grand Bargain, is still not at the heart of humanitarian intervention. This view seems to be more common the further you go from the coordination centers (cities) where most power in the sector is held. Communities and organizations located further from these locations are more likely to express negative views of the current system.

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

Power Now

Category	Value
Donors	~220
UN	~210
Int NGO	~195
Natl Government	~120
Local NGOs	~105
Local Government	~105
Community	~45

Power Ideal

Category	Value
Community	~195
Local NGOs	~185
Natl Government	~165
Local Government	~150
Int NGO	~135
Donors	~110
UN	~90

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 the national government take on more of a role than it currently does.

The KIIs of the research project broadly reflected the above position. Some L/NNGOs have observed that while the power dynamics between international and local actors are still imbalanced, they believe that huge steps have already been taken and that "change is irreversibly coming."(L/NNGO).

One L/NNGO concurred with the results from the pre-workshop survey stating: "We still have donors on top followed by the UN. Now we are at 70% INGOs and 30% power sharing which is already a good move."

Recommendations:

- **International actors should ensure they are funding organizations who genuinely represent the community and who involve communities in program design. The Beyond Barriers research project has developed a tool, the <u>Locally-Led Funding Tracker Tool</u>, which assist funders in monitoring how 'locally-led' their funding is.**

- **INGOs should publish localization policies and strategies which establish how they plan to evolve in the next five to ten years in furtherance of the localization and commit to exit plans where necessary.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

1.2 Local Power Dynamics

KEY POINTS:

- While much emphasis is understandably placed on power imbalances between local and international actors, there are also significant power dynamics present between organizations that broadly fit under the umbrella of L/NNGOs. This is particularly pronounced along geographic lines, with L/NNGOs with offices in Kinshasa, Goma, or Bukavu seen as having a major advantage over organizations based closer to communities.

- Stakeholders widely acknowledged the risk of power and resources being concentrated around a handful of larger NNGOs at the expense of smaller NNGOs and LNGOs, as well as the risk of "internationalizing" L/NNGOs to the extent that their connections to their communities will be undermined. NNGOs called on donors to implement policies to prevent the proliferation of funding around a small group of larger NNGOs.

In DRC, it is important to recognize the power dynamics at play at local and national level to understand the complexities of the barriers to localization. **The power imbalance between the NGOs who have offices in Kinshasa or Goma and those local organizations based at community level is significant. These imbalances need to be considered to make progress on localization, because without reaching the organizations closest to the communities, the responses will not be locally-led.** One LNGO in Kalehe highlighted that INGOs often collaborate with NNGOs instead of LNGOs. A representative from a local Women-Led organization echoed this and stated those with offices in Bukavu have contacts with donors.

This challenge was also recognized by donors. One donor admitted that they were not getting to "the layer below" and how they relied on INGOs and big NNGOs to identify the smaller NGOs that they could support. Another donor said the risk of creating an oligopoly of big NNGOs was inevitable unless there is a change in the current system. The focus on achieving the 25% target of direct funding to L/NNGOs, as per the Grand Bargain, is contributing to this. This donor gave the example of the five NNGOs being funded directly by one major donor. These NNGOs are now likely to be targeted by other donors, as they will be perceived to be "safe" organizations to provide funding. She predicted this factor is likely to be more important for many donors than the type of work they do or expertise they have.

> **"Power is centralized. INGOs often and generally collaborate with national NGOs and rarely directly with local NGOs which have community roots".**

LNGO, DRC

This will lead to these NNGOs becoming even bigger, thus creating a new power layer. It is possible that these NNGOs could become "gatekeepers" for the smaller ones. However, without radical change to the current system, they will adopt the same sub-contracting model used by UN Agencies or INGOs and little will change at community level.

Certain NNGOs have also noted this risk and believe that the Donors have a role to ensure it does not occur. One NNGO called on donors to, over time, make it a requirement for the five NNGOs funded directly, to partner with two or three other NGOs and begin to develop their capacities.

Further evidence of certain NNGOs having power in the system was their presence at clusters, OCHA meetings and the HCT. However, they are not capacitating smaller LNGOs. One INGO observed that it is more likely that INGOs go knocking on the door of the big NNGOs asking to be in a consortium, rather than the other way around.

There are also fears that the current system is "sucking local systems and local organizations into an international framework" (INGO) and that this is not building on the local acceptance or capacity of L/NNGOs, but actually taking them further away from their communities. By doing so, they will need local partners themselves.

Recommendations:

- **International actors should not default to partnering with only the largest L/NNGOs, but rather should seek out a variety of partners of different sizes, specialties, and geographies.**

- **The largest and most powerful L/NNGOs should target their smaller counterparts with capacity sharing initiatives and partnership on program implementation to help them become more effective in their work and response.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

1.3 Trust

KEY POINTS:

- Lack of trust between stakeholders, particularly between the international and local levels, is at the root of many barriers.

- The lack of trust between stakeholders is not being adequately addressed.

- Communities, L/NNGOs, and INGOs alike recognized international entities' preference to implement directly as a major obstacle to trust and partnership in the sector. This practice is itself motivated by a lack of trust in L/NNGOs' ability to implement effectively.

- CBOs and L/NNGOs report that they are frequently not treated as equals by international actors, further undermining possibilities for partnerships based on trust.

Trust is a fundamental element in successful partnerships. However, throughout the discussions, there were veins of skepticism emerging from all directions: local communities and organizations towards international actors, international actors towards local organizations, and from all stakeholders towards the government. The lack of trust appears to be the dominant psychological barrier to localization.

During the workshop in DRC, there were specific sessions aimed at analyzing the issue of trust in partnership. A study from organizational and business psychology (Breuer et al. 2020) was adapted, and two exercises were conducted. First, the team followed the methodology of the Breuer et al. study by asking international, national, and local humanitarian actors to describe critical incidents in which trust was built or broken in partnership.

Workshop participants were asked to provide specific details about the incident, as well as the repercussions of the incident on partnership and program performance.

Second, the workshop participants were divided into small groups according to their affiliations (international or national in organization type) and asked to identify the top five categories of trust that were most important to successful humanitarian partnership from among the list of categories identified by Breuer et al. The results of these exercises can be found in the Workshop Report and have been used in developing the Trust Tracker.

The KIIs and FGDs also revealed much skepticism from community groups, and L/NNGOs in the humanitarian sector emerged. Funding and strategic decisions were seen as top-down and non-collaborative. In the localization workshop, participants from both L/NNGOs and INGOs identified the preference of international actors to manage project implementation directly as the number one partnership obstacle to localization.

This preference was identified as stemming from a lack of trust on the part of INGOs that resources would reach beneficiaries without any diversion for private gain, as well as resistance to change and a "colonial mentality." There is also a viewpoint from L/NNGOs that INGOs are "reluctant on localization" because they fear their longer-term future is in danger.

One L/NNGO described having "lost patience and trust" as the power imbalances between international and local have been ongoing for decades, with no major change observed. A further example from an NNGO who began targeting communities for an aid response, having received assurances from INGO partner that it would be delivered. However, this promise was reneged, and it put the L/NNGO in a very difficult position with the communities. This damaged the trust between community members-L/NNGO-INGO.

In focus group discussions, where groups were less mixed and participants seemed empowered to speak more candidly, international actors were portrayed as having external and even colonial motivations. A perceived lack of transparency in the allocation of funds and decision-making processes has also led some local organizations to question the intentions of international partners. When local organizations are engaged as service providers versus implementing partners, the situation is interpreted as transactional, not partnership and respect. One participant explained, "When INGOs collaborate with us, they often [do not treat us] as partners. Power is very centralized and there is often not a partnership relationship."

The suggestion to develop trust and show that international actors are serious about shifting power to local actors, was the introduction of a minimum requirement for INGOs who implement projects to take on a L/NNGO partner and develop their capacities, so that within five years they will be able to receive funds directly. There were also calls for a two-way accountability system – until now it is only the L/NNGO who must be accountable to international partners, not the other way around.

The Platforms under <u>CONAFOHD</u> [local NGO consortium described above] were developing a way to measure international partners in their performance about partnerships. They will evaluate international partners on measures such as their respect of partnership principles and upholding of commitments; relevance of programmatic support; and whether they support their local partners in becoming more autonomous. They intend to give a score to the INGO, which will act as a marker for the partner to improve on going forward.

In the recruitment process of NGO members that should manage its funds, the DRC Start Network Hub has put additional criteria to INGOs candidates and one of them was to have recommendation letters from 3 different L/NNGO attesting the INGO candidate is pro-localization from their previous work experience.

> **"To us, donors, UN, INGOs are one person. They know, cooperate, and protect each other to continue working in our country ."**

CBO, DRC

The overall undercurrent through discussions with L/NNGOs is one of frustration, and the frustration is twofold: 1) the funding that is passed down to them is minimal and rarely enough to execute their humanitarian mandate while covering overhead costs; and perhaps more importantly, 2) that engagement between L/NNGOs and INGOs lacks a certain degree of mutual respect.

International actors also face challenges in developing trust with L/NNGOs. One donor explained that they would like to develop longer-term relationships with L/NNGOs and believe that moving from a milestone-based approach to normal grants would help build trust.

International actors are looking for partners that share their vision, but also noted that it is easier to have a normal equitable relationship with organizations that are well-established and have their own resources. However, examples of weak governance, such as family members being on the board of directors, were cited as barriers to developing trust. This was echoed by certain L/NNGOs who recognized that having a credible governance structure, was important to gain trust from international actors. Other issues such as past performance, producing thorough reports and complying with donor requirements were also viewed as essential.

Recommendations:

- **All stakeholders need to stop viewing the skills needed to build trust as "soft skills", but as fundamental to effective humanitarian responses, and a prerequisite to a true shifting of power. <u>Increasingly, these metrics should be tracked and measure</u>d.**

- **Transparency in partnership, at all stages of the program cycle and specifically when issues arise in implementation, should be prioritized by local and international actors.**

1.4 Equitable Partnership

KEY POINTS:

- The nature of sub contractual partnerships hinders the development of genuine equitable partnerships.

- Equitable partnerships should involve the full and easy sharing of information, decision-making, capacity and learning, and should ultimately aim to improve the sustainability of the local partner.

The lack of trust discussed above manifests itself in the perception that partnerships are unequal and inequitable. The study explored the deep-rooted feeling of mistrust in the system due largely to a perceived lack of transparency and unfair treatment. In the stakeholder workshop, both L/NNGO and INGO participants ranked "inequitable and uncomplimentary partnership" as the number two barrier to in Power in Partnership. This theme continued during the research in DRC.

A central aspect of this unequal dynamic pertains to the level of respect and inclusion afforded to L/NNGOs by international partners– INGOs, UN, and donors alike. Frequently in the discussions, LNGOs claimed to see themselves as marginalized and excluded from critical planning and decision-making processes. As one L/NNGO put it, "Everything is designed in the INGO office without us." One donor recognized the need for donors and international actors to better recognize the work of their local partners through visibility. This recognition would lead to better access to funding.

Compared to the other contexts of this research, there were relatively few positive examples of L/NNGOs being treated as equal partners. Firstly, there were far more L/NNGOs who reported receiving funds from UN Agencies as opposed to INGOs.

The UN Agencies interviewed recognized the importance of funding L/NNGOs, but there was no evidence of them being treated as equal partners. One agency highlighted that its mandate was the protection of vulnerable persons and while they aim to strengthen the capacity of partners who they fund, it is not their priority. Another UN Agency admitted that their funding model only allows for them to have implementing partners, leaving no scope for involvement in program design. However, one L/NGO believes that the UN Agency they are funded by has improved their attitude as partners over the years. They feel more treated as equals, whereas in the past they would have been "scolded for errors".

"I think there is this large feeling within the local NGO community of partners that they are being used... they do the work. They don't get the recognition, they don't get the visibility, and they don't get to claim the financing."

Donor, DRC

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> **"The idea is to have strategic partnerships. So the partners that we are going to support, even outside of grants, we believe in their mandate, their capacities and their ethics. So we feel comfortable supporting [them]."**
>
> <div align="right">INGO, DRC</div>

The INGOs interviewed in the research provided more positive examples of practices aimed at achieving equitable partnerships. Equal decision-making, ensuring the voice of partners count, budget flexibility and connection with donors were some of the important aspects. One INGO highlighted the importance of key values of respect and communication in any partnership – whether it was a strategic partnership or sub-contracting. Another highlighted the importance of the senior management from both organizations to be involved in developing partnership agreements. This ensures that the agreed terms have more importance, and it shows respect for partners, treating them as peers.

Several INGOs noted the importance of strategic partnerships that are not always linked to project grants. Developing these relationships outside of projects is conducive to developing equitable partnerships. One INGO described how they involve some strategic partners in their own strategic discussions – both in-country and globally.

Developing strategic partnerships should also have the long-term objective that the partner will one day be autonomous, and the INGO no longer needed to act as a prime. Efficient methods of mapping and selecting partners by INGOs, will give the partnership the best chance of being equitable. One INGO has developed a system whereby they launched a call for expressions of interest across seven provinces. They are now developing relationships with the organizations they feel that they could work with in the future, so that they will be ready should an opportunity arise.

L/NNGOs also highlighted that equitable partnerships should be seen as the "middle way" for localization. There should always be a plan to grow to become an organization capable of accessing funding themselves.

Recommendations:

- **Donors should incentivize UN and INGOs to co-create projects with L/NNGO partners.**

- **International actors should invest time and resources into developing long-term and strategic partnerships with L/NNGOs outside of immediate response efforts.**

- **UN and INGOs should co-develop partnership agreements with L/NNGO partners to ensure transparency from the start of project initiation.**

- **International actors should be incentivized to transfer skills and capacities to L/NNGO partners by being required to report indicators to this end.**

Seraphin Mukalay, 51, a beneficiary of Concern Worldwide's Food for Peace program, is seen on his farmland close to the village of Kakyinga, Manono Territory. The family received food kits for short term assistance, and seeds to augment their existing agricultural work.

Photo: Hugh Kinsella Cunningham/Concern Worldwide

1.5 Risk

KEY POINTS:

- Differing perceptions of risk and risk mitigation policies act as barriers to localization.

- Substantial risk, particularly physical and security risk, is being transferred to L/NNGOs in partnership.

- Risk Aversion of Bilateral Donors: The conflict donors have between their stated support of localization, and strict risk mitigation strategies preclude them from partnering with L/NNGOs.

- Donors' perception of L/NNGOs as lacking robust risk mitigation and financial management strategies drives their tendency to concentrate funding in the hands of INGOs or select large NNGOs.

- Stakeholders reported an inequitable sharing of physical/security risks, with L/NNGOs frequently bearing the brunt of frontline dangers mostly because they have less resources with which to maintain robust security procedures.

Central to the continued flow of humanitarian funding and resources is the mitigation of risk. In complex crises like the DRC, these risks come in many forms: financial, reputational, political, physical, existential, and more. However, across the humanitarian sphere, risk is not shared equally. While all actors in the humanitarian ecosystem—donors, INGOs, UN, L/NNGOs, and communities—bear some measure of risk, there are differing perceptions on risk, as well as the consequences for the different stakeholders.

Reputational and Financial Risk

Donors remain reluctant to take measures where risks could be shared. It was noted by participants in the interviews that conservative risk mitigation is important for donors to minimize reputational risk.

As one donor put it, "it's hard to change the zero-tolerance policy." On the other hand, strict compliance measures and due diligence requirements are often counter to the objectives of localization, as in practice it appears that donors don't want to bear the full set of risks associated with funding smaller, more remote, local organizations.

Furthermore, global strategies do not always align with country-level compliance unit strategies. For example, at a global level, many donor agencies are signatories to the Grand Bargain; however, at national and local level, they have policies in place that limit or exclude L/NNGOs altogether, all in the name of risk mitigation.

From the point of view of INGOs and the UN, the issue of trust revolves heavily around risk tolerance, specifically related to financial management and beneficiary protection. Throughout the discussions with actors representing both international parties, the technical abilities of L/NNGOs to execute programming at the community level were not the focus. However, the ability to properly manage finances, both to an acceptable level of bookkeeping and reporting and to mitigate the diversion of finances, remain major concerns.

In donor interviews, fraud, and safeguarding were highlighted as high risks in the DRC context and significant barriers to funding L/NNGOs. Some donors also prefer to concentrate funds on big partners, which they view as having robust risk mitigation measures to limit their exposure. Due diligence requirements are often so onerous that it renders the financing system inaccessible to L/NNGOs. For example, the HF reported only a 14% acceptance rate for eligible submissions, and for another donor, only five national organizations met their eligibility requirements, as discussed in the Funding Section.

A more equitable system of risk sharing is clearly required. However, there was no tangible evidence of this occurring in the short term. As noted by one donor, "I think that sharing of risk is so far away, we are talking about us being held accountable for the taxpayers' money." Indeed, one UN Agency doubted whether the donors are ready to be more risk-averse in a context like DRC. They believe donors transfer the risk management to big UN Agencies, as they are the only ones with the logistical capacity and infrastructure to do large-scale distributions.

Not only is there risk that weak procedures make it easier for L/NNGO staff to divert resources for personal benefit, but there is also pressure from local authorities and community leaders for financial kickbacks to allow humanitarian activities to be executed within their spheres of influence. Therefore, international donors look to INGOs to mitigate the perceived risks associated with financing L/NNGOs, and INGOs in turn position themselves as watchdogs for fraud and protection risks, despite not being immune to these same issues themselves.

Some INGOs, positioned between donors and local partners, demonstrate greater openness to sharing risks, as it is a necessary part of implementation. However, when it comes to specific risk categories such as fraud and safeguarding, INGOs tend to transfer the risk to implementing partners. This practice can potentially expose L/NNGOs to the severe consequences of blacklisting or financial losses, which can be existential for these organizations.

"Easier for international NGOs to blame the locals. Internationals commit fraud, but they still get paid, and their reputation isn't ruined. Local NGOs have been blocked and can no longer get work. Risk can happen to even the best structures at the United Nations.

INGO Forum Representative

Physical and Security Risk

Local actors, particularly those deeply embedded in local communities, are most exposed to tangible, physical risk. Managing highly sought-after humanitarian resources while having direct exposure to conflict zones, armed groups, and desperate populations can make staff targets for violence and subject to accusations of bias, collaboration, or espionage.

With an estimated 100–200 armed groups operating throughout the country, conflict over natural resources, and ethnic tensions, the security situation is both the cause of many humanitarian crises and a barrier to the delivery of humanitarian assistance. Therefore, humanitarian staff take on high risk to personal safety in a country that ranks in the top ten of the world's "highest incident contexts."

However, INGOs often have far greater resources to prioritize the safety and security of staff, requiring robust security protocols, evacuation plans, and accommodations with high safety standards. In contrast, L/NNGO staff are not afforded the budgets to receive the same level of security, potentially placing them at greater risk in volatile environments. This discrepancy creates feelings of both insecurity and inequality among L/NNGOs.

Overall, risk allocation and sharing play a pivotal role in shaping the dynamics of humanitarian partnerships. Acknowledging the unequal distribution of risk and seeking more equitable risk-sharing mechanisms is essential for fostering effective and sustainable humanitarian responses in the DRC.

Recommendations:

- **Donors, UN agencies, and INGOs should move towards increased risk sharing with their partners. A Risk Sharing Framework developed by IASC in 2023 provides guidance on how to operationalize risk sharing.**

- **Donors, UN agencies, and INGOs should harmonize due diligence and compliance requirements to reduce the burden on L/NNGOs.**

- **L/NNGOs must ensure that they have systems in place to manage risk and that they can manage risk seriously.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

Section 2 - Funding

Existing literature on localization has outlined the many barriers within the funding space. A comprehensive list of barriers from the literature was drafted and reviewed by the local research partner to ensure completeness and relevance to the context. Workshop participants (CBOs, Local/National NGOs, INGOs, and UN agencies) were asked to rank these funding barriers according to their role in limiting localization. The following were the highest-ranked financial barriers:

1. Funding doesn't go directly to L/NNGOs but is passed through intermediaries.

2. Organizational capacity of L/NNGOs is lacking for large scale response.

3. L/NNGOs have no relationship to donors.

Access to humanitarian funding is critical to the existence and expansion of locallyled humanitarian response in DRC. However, funding opportunities for local organizations are both limited and hard to access, creating a major stumbling block for the development of a robust and resilient locally-led humanitarian response.

Despite Grand Bargain commitments–including to provide 25% of funding as directly as possible to local/national responders, remove barriers to partnership with L/NNGOs, and provide multi-year funding to L/NNGOs–insights collected from the stakeholder workshop, focus group discussions, and key informant interviews show that donors have fallen short of these goals and question the commitment of international actors on progress towards these goals.

2.1 Direct Funding

KEY POINTS:

- Direct funding of L/NNGOs in DRC is still rare due to challenges with donor due diligence requirements, perceptions of risk, and doubts over the capacity of L/NNGOs to manage funding.

- Access to donors emerged as a major challenge for L/NNGOs, driven by the predominance of intermediaries as well as geographical access barriers and language barriers.

> **"One such donor that "it's very difficult to fund local partners [directly] by the nature of our due diligence processes, the kind of requirements"."**
>
> <div align="right">Donor, DRC</div>

Funding L/NNGOs directly remains a major challenge in DRC. Woven across conversations with seven different international donors was the thread that although donors want to see progress toward localization, they are not providing concerted leadership for this change. In addition, it is apparent that commitment, theory, and practice of the localization agenda varies. For example, four donors confirmed that they use the Humanitarian Pooled Fund (explored in greater detail below) to promote localization while distancing themselves from the challenges associated with direct funding, including risk to the agency, extensive due diligence work, the complex context, and what they view as an overly crowded field of local actors.

One donor acknowledged that their due diligence processes are a barrier and that, they are trying to have "simplified policies for this… we're acknowledging it's a constraint but also trying to [work around it]."

Another donor specified that they only fund organizations with head offices in Europe. Strict central policies like this explicitly exclude local organizations and are at odds with more progressive donor policies like a different donor who at present sets aside 20% of its budget for local organizations, offering the same long-term contracts and same contract cycles as offered to INGOs. To do this, they typically grant local organizations smaller amounts and gradually build up the amounts once the organizations have demonstrated that they are able to manage them effectively.

One unique aspect of this donor was that they did not have their office in Kinshasa or Goma, but in Bukavu, where the L/NNGOs they fund are based. This enables them to build relationships directly with the organizations they are funding, something which ameliorates common challenges reported by others in terms of the ability for L/NNGOs and donors to build direct relationships.

L/NNGOs and donors alike provided examples which illustrate the need for more relationships between local organizations in DRC and bilateral donors funding work in DRC. One donor admitted that while they meet with partners whom they have direct funding contracts with, they rarely meet partners that are further "downstream," explaining, "I could not give you a list of all of the L/NNGOs that are receiving financing because I don't have that level of information from the partners I signed with." L/NNGOs agreed that they are greatly challenged by not being able to meet with donors. One NNGO attributed this to a lack of information about the funding system as a whole.

Additionally, one L/NNGO mentioned that their work, though it is responsive to local needs, needs to be aligned with the strategic priorities that donors may develop on a global/ level, making it harder to get funded. This again illustrates a disconnect between the overall humanitarian system and Congolese organizations and communities. Finally, there is often a physical or geographic aspect to these access challenges as well. As one UN agency pointed out, L/NNGOs who operate at a provincial level have better access to donors than those who are operating at a local level. This is a significant barrier in DRC due to the vast size of the country.

> *"We are under-informed, we don't really have the information on the system. How [do we] reach donors? We don't have the essential information".*
>
> *NNGO, DRC*

Despite these challenges, one donor stands out for making concerted efforts to fund L/NNGOs directly. Starting in 2023, they have begun to fund four local partners directly. These were selected from a list of local organizations receiving regular funding from the UN Humanitarian Fund–which already has strict eligibility requirements–and were offered an opportunity to register in the donor system. Six L/NNGOs can now meet the strict registration requirements, and they, in turn, were offered a special milestone-based grant set at $500,000.

This direct funding of L/NNGOs represents progress. However, it was acknowledged on both the donor and L/NNGO sides that the registration process is stringent and extensive. There were further challenges regarding the language requirements of the proposal process, with the donor representative conceding that they should not require their local partners in a Francophone country to produce technical documents in English. Furthermore, the milestone-based grant requires L/NNGOs to have reserves of funds to pay for project activities and support costs upfront, which is not possible for the vast majority of L/NNGOs.

One L/NNGO gave an example where they received funding under this system, and management came under pressure to take security risks to get activities done so that their staff could be paid, having not received salaries in six months.

These vetted local organizations could be moved to "regular" and multi-annual funding streams after this testing period. All technical documents are required to be submitted online and in English and one partner organization required the services of an American volunteer to support the process. Other L/NNGOs emphasized the importance of this donor expanding the number of organizations that they will fund to encourage competition and improvements in standards. A positive development on this was reported by one of the six eligible NNGOs who declared to have already helped three other L/NNGOs to access the donor portal.

Lastly, concerns were raised about the small number of large NNGOs who would feasibly be able to reach the compliance thresholds for accessing funding directly. One donor mentioned how they are having internal discussions about how to reach the "tier below" organizations, particularly women-led organizations. However, to do so, they intend to work through INGOs or UN Agencies as intermediaries.

Recommendations:

- **Donors should address the domination of resources by international actors by intentionally earmarking a certain allocation of funds for L/NNGOs.**

- **UN agencies and INGOs should relinquish power in the system by making commitments to not compete for funding opportunities where there are L/NNGOs capable of leading responses and advocating for direct funding for these L/NNGOs. They should also provide technical support to L/NNGOs when requested on proposal design and project implementation.**

- **L/NNGOs should collectively advocate to donors for more direct funding.**

- **Donor agencies should assess how their regulations may impede direct financing of L/NNGOs and seek solutions to address this at the level.**

- **INGOs and UN agencies should play a role in ensuring that relationships between L/NNGOs and donor agencies are developed, for example through establishing direct communication and meeting opportunities between donors and their partners.**

- **Establish a centralized website where L/NNGOs can view all available funding opportunities in DRC to enhance their ability to apply for direct funding.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

2.2 Funding Through Intermediaries

KEY POINTS:

- The predominance of funding through international intermediaries (INGOs and UN) is seen as a major inhibiting factor for DRC localization, perpetuating the treatment of L/NNGOs as subcontractors rather than full partners.

- Stakeholders highlighted a particular challenge with funding via UN intermediaries, mentioning that UN funding is limited to one-year grants and is often not seen as providing adequate support costs to L/NNGO grantees. The power held by UN agencies also leads some stakeholders to perceive them as donors rather than partners.

- Success of improved intermediary funding models such as funding consortia of L/NNGOs and gradually transitioning project ownership from INGOs to L/NNGOs over time.

One of the central factors highlighted by participants and informants of the study was the limitations imposed by the "intermediary model" of funding. During the workshop, participants from local organizations ranked intermediary funding as the number one obstacle to localization. As participants put it, the question of financing is "primordial" or essential to the localization process. In the DRC context, most funding to local and national organizations passes through an international intermediary like an INGO or a UN entity. For example, in 2023, only 0.02% ($25.2 million) of humanitarian funding went directly to L/NNGOs. At the same time, more than 57% of the $1.06 billion in humanitarian funding for DRC went to just nine UN agencies, and 33% went to INGOs. (UN OCHA 2024). These statistics show that in DRC, the intermediary model is, by far, the biggest source for L/NNGOs.

While this model can be effective in getting funds to L/NNGOs while limiting the risk to the donor, it has limitations when considering the overarching goals and commitments of localization. There is a tendency among some donors to provide funding to an international intermediary without questioning how the funds are shared among their L/NNGO partners. One donor mentioned that the INGOs they fund take a portion of the funding for overhead costs. The same proportion is not provided to the sub-grantee L/NNGOs. The donor questioned whether this funding allows L/NNGOs to "build their presence and their existence" and whether they are "ensuring that they get the same portion of funding to enable them to do that?"

The practice of funding through intermediaries isolates L/NNGOs from bilateral international donors, stifling opportunities for relationships and trust building while reducing chances for engagement.

The main issue with the intermediary model is that L/NNGOs feel that they are treated more like subcontractors than partners.

Evidence from both INGOs and LNGOs suggests that this is a bigger issue when partnering with a UN agency than INGO. UN agencies do not provide funding for more than one year, with one agency explaining that even when they had funding for a five-year project, they required the partners to apply on a yearly basis. Another agency stated that the barrier they face in providing long-term funding to partners is that they rely on "voluntary contributions" from bilateral donors themselves, so they only receive funding on an annual basis. For resilience projects, they get contracts for up to four years and give partners contracts for 24 months.

Apart from the length of the contract UN Agencies are not providing sufficient support costs to L/NNGOs. There is a view held among different stakeholders that the UN agencies are using L/NNGOs to reduce costs rather than to really commit to localization. Furthermore, UN agencies tend to act more as donors than partners. The selection process is an example of this with some L/NNGOs complaining they have been through the same process with different UN Agencies but have not been selected. One donor specifically referenced a Rapid Response project where the UN Agency provided direct funding to the L/NNGO, but also were prescriptive on how funding should be spent. The donor did not believe that this was localization, while noting that they continue to fund this mechanism, as they do not see another option other than the UN Agency.

The lack of consistent coordination, guidance, and leadership from donors on issues of localization, is reflected in the INGO space, where there is a diversity of progress on developing policies, strategies, and models.

The research found several positive examples where INGOs were making genuine efforts to provide quality funding to L/NNGOs. One example describes the INGO being the prime recipient of the grant from the donor, but over a period of time this responsibility has been handed over to the L/NNGO. Another INGO working exclusively with local partners highlighted that where possible they provide long-term (5 year) contracts to partners. One INGO has committed to 40% of funding to be locally managed over time while also taking a strong organizational stance through advocacy work on localization, while the other dedicates - allocated "core funds" to local partnerships.

Consortium funding models were discussed by donors and L/NNGOs as a progressive step to provide quality funding to L/NNGOs. Typically, this is where one international organization takes the role of grant holder and provides funding to several L/NNGOs. This model addresses donor concerns about risk, with the international intermediary being responsible, while also allowing more L/NNGOs access to funding. One donor noted the potential of a consortium to develop the capacities of L/NNGOs. In contrast, another donor highlighted the importance of L/NNGOs being able to operate at scale and deliver the greatest value for money.

One INGO described a consortium approach for a 5-year project with three local organizations, where at the outset they agreed on performance criteria. By the end of year 3, the best performing organization will take over leadership of the consortium. At L/NNGO level, there was a further example of 12 small NGOs in different geographical areas that have come together under the same "umbrella". These are independent NGOs who mobilize their own funds. However, for some opportunities they come together as a network to apply together and cover a larger area.

Recommendations:

- **Donors should tie the funding of international intermediaries to their commitment to localization. For example, reduce funding going to UN agencies/INGOs who do not have a mandate aligned with the goals of localization and increase funding to intermediaries that have developed clear policies and strategies on localization and are measuring progress transparently.**

- **Donors should incentivize increased partnership with L/NNGOs by requiring funding opportunities to include L/NNGOs and giving higher scores to proposals that demonstrate evidence of inclusion of and co-design with L/NNGOs.**

- **Donors should increase the quality of funding offerings by including multi-year, pre-positioned, and flexible funding opportunities, as well as increasing funding to consortia of L/NNGOs.**

- **UN agencies should move towards providing multi-year funding instead of one-year funding only to promote better progress on localization.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide
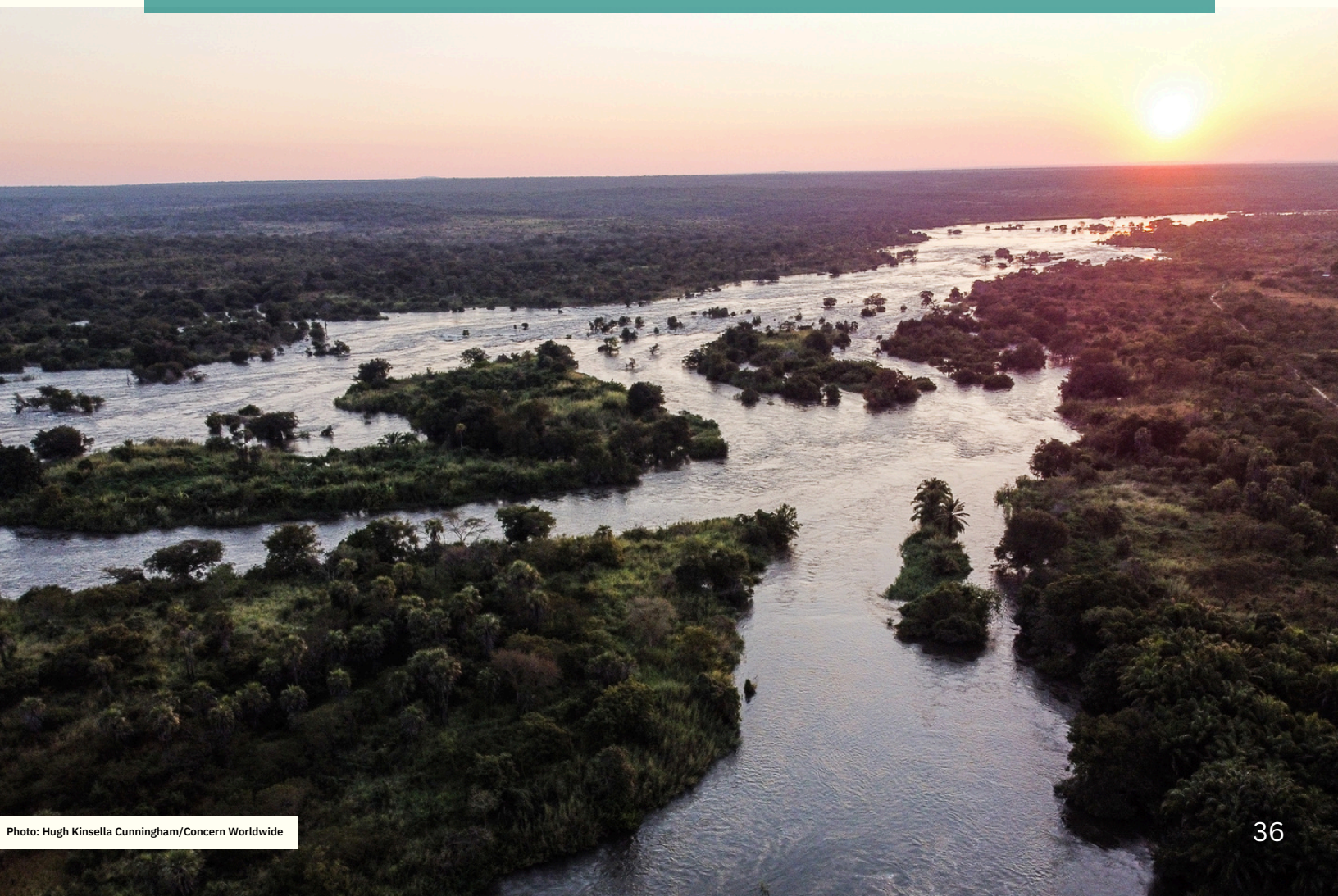
2.3 Indirect Cost Recovery (ICR)

KEY POINTS:

- A lack of consistent indirect cost recovery (ICR) provision to L/NNGOS is seen as a major disadvantage for these organizations and an impediment to localization since it undermines their ability to strengthen their overall operations and capacities.

- This inconsistency is driven largely by a lack of donor policies guiding the provision of ICR to local partners.

Diversity and inconsistency of policies and strategies are also apparent in the treatment of "indirect cost recovery" (ICR). While it is common for INGOs to receive ICR from donors and the UN, this isn't always passed on to local partners. In consortia, donors rarely insist that ICR costs be equally shared or pro-rated to the number of deliverables. If it is included, it is usually at the discretion of the lead INGO or UN Agency. Donors expressed varying views on this issue, with some sharing that they do not oblige international partners to share ICR and others agreeing that while they would like to see their partners share ICR, they know it does not always happen. The latter also expressed some reticence to the idea of donors requiring partners to share ICR, particularly certain UN agencies. However, a different donor was of the opposite view, suggesting that it would not be difficult to include an ICR sharing requirement in grant agreements.

In one interview, an L/NNGO related that within their consortium, the three INGOs were allocated overhead cost, while the two local NGOs were not. The power imbalance in situations like this are such that local organizations have little leverage. For financial and developmental purposes they cannot refuse an offer of funding, but simultaneously cannot overcome capacity, operational, and staffing challenges without additional support; support that is often taken for granted by INGOs. In fact, in This research there was a baseline level of frustration among local organizations on the subject: they felt that while ICR was important for all NGOs, local NGOs were in greater need of it to build up organizational capacity and institutional strength.

Recommendations:

- **Donors should require prime partners to share ICR costs with their partners. For example, ECHO now requires INGOs to explain why they are not sharing ICR costs if this is the case.**
- **UN agencies and INGOs should share ICR with L/NNGO partners in a proportional manner, based either on the total budget per partner or deliverables per partner.**

2.4 Pooled Funds

KEY POINTS:

- The Humanitarian Fund (HF) managed by UN OCHA is regarded as an important source of direct funding for L/NNGOs in DRC.
- The HF represents a very small proportion (less than 4% in 2023) of overall humanitarian funding in DRC and thus cannot be responsible for advancing localization alone.
- Challenges with HF remain, which include stringent eligibility criteria, short-term contracts, lack of transparency and the need to compete with INGOs for funding.

DRC Country-Based Pooled Fund

A significant source for local organizations to access direct funding is pooled funds. The main pooled fund operating in the DRC is the Country Based Pooled Fund–or Humanitarian Fund (HF)–managed by OCHA. The HF in particular plays a key role in providing vital funding to local organizations, while at the same time increasing visibility of these organizations to other donors and potential international partners alike.

In 2023, for example, 53% (or $22.7 million) of HF allocations went to "National NGOs" as opposed to 43% ($18.2 million) to international NGOs, and 4% ($1.7 million) to United Nations agencies, maintaining a trend that began in 2022, when NNGOs received more funding than INGOs from the HF for the first time. This marks clear progress from 2021, when INGOs received more HF funding (37%) than National NGOs (35%), and 2020 when INGOs received 53% of funds to NNGOs' 29% (UNOCHA 2020-2023). The chart below illustrates the funding trends over the last five years, shifting weight from INGOs to NNGOs.
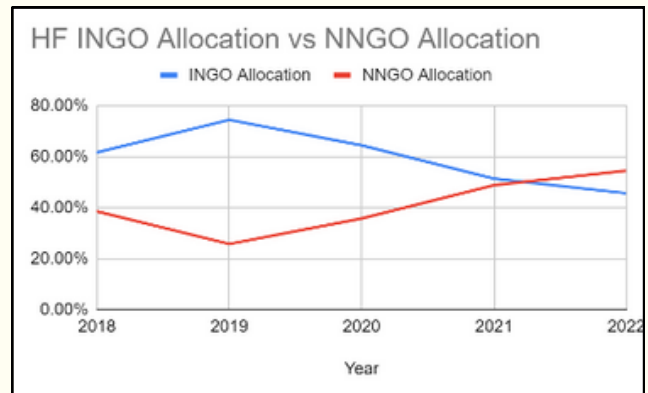
The HF has been a champion of localization over the past few years, not only inversely increasing their contribution from INGOs to NNGOs, but also adding three NNGO seats to the DRC HF Advisory Board in 2020, matching the three INGO seats, three UN seats, and three donor seats that traditionally sat as stakeholders.

As touched upon above, many donors contribute to this fund, and some cite it as one of their main means of promoting localization where their policy or practice does not allow for direct funding. However, views on how effective the HF is in promoting localization differ.

Some donors regard the HF as one of the most important avenues through which localization can be advanced. Nonetheless, many expressed criticisms of the fund. Firstly, L/NNGOs must still compete with INGOs for funding, and only a handful of L/NNGOs can do this. The HF has only a 14% acceptance rate of eligible submissions. Many local and region-specific organizations are concerned that the HF could create a class of large NNGOs more akin to INGOs than LNGOs that could have preferential access to funding, adversely affecting and sidelining other local organizations and undermining the spirit of the global localization movement.

Another donor commented that though the HF is an important first step for LNGOs who can use funding from the HF to seek funding from other entities then, the HF cannot advance localization in isolation because the funds are too small and too short in duration. In the big picture of humanitarian funding in DRC in 2023, the HF accounts for only 4% of the entire Humanitarian Response Plan.

The short duration of projects funded by the HF is a major point of concern among stakeholders. Because HF allocations are short-term contracts, often for emergency response, they need to offer stable funding for capacity building and staff retention. The funding is often insufficient to cover longer-term needs like vehicles, equipment, training, and monitoring and evaluation (M&E), leaving recipients in a perpetual state of financial and operational insecurity.

One donor went so far as to say that the HF could also be seen as a barrier to actual progress on localization because it allows donors "to fund it and report to our Head Office that 40% is going to local actors – job done. It becomes the easy way out".

Indeed, a representative of the HF agreed that the fund can act as a catalyzer but cannot operate in isolation. It also does not address the issue that "LNGOs often cannot respond until they receive funds, whereas INGOs usually can," according to a UN stakeholder. The HF representative also called on donors to provide additional funding for the capacity strengthening of L/NNGOs to complement the HF's funding mechanism.

Finally, the eligibility process of the HF is seen by many as being too onerous for most L/NNGOs. To receive funding from the HF, an organization needs to be approved as an eligible partner. This process can be lengthy and complicated, despite efforts by OCHA to simplify the process. HF eligibility is a critical foot in the door for L/NNGOs as donors report that they refer to the HF roster of eligible organizations as a means of shortlisting potential funding candidates.

In summary, while the HF has been a positive vehicle for getting more funding to L/NNGOs, it represents too small a proportion of the overall humanitarian funding to advance localization. Donors cannot credibly claim that they are committed to localization while their main contribution is funding the HF. There are also several limitations with the current system, which need to be addressed for it to realize its full potential in terms of advancing localization.

The Start Fund

The Start Network's funding known as the Global Start Fund is another important pooled fund that funds humanitarian work in the DRC. Like the HF, it has evolved to better support localization in recent years. The Global Start Fund has a unique mandate in focusing on impending crises and small-to-medium scale crises with a trademark of dispersing funding within 72 hours of an alert (Start Network 2024).

Since 2016, 81 alerts have been raised in the DRC, and 61 of these received funding allocations. Through 2020, these allocations only went to INGOs. However, starting in 2021, a shift towards including local organizations in fund allocations began. Eight of the 20 alerts from 2021 to November 2023 included allocations to local partners (Start Network 2024b).

This shift aligns with the 2020 Start Network launch and 2021 General Assembly of the DRC Hub, a country-based, locally-led humanitarian network. These hubs aim to serve as regional coordination points for implementing Start Network initiatives and projects and facilitate cooperation, knowledge-sharing, and collaboration among member organizations to respond quickly and effectively to crises. So far, 4 NNGOs have been registered as Global Start Network members and have benefited the above 8 allocations.

A process to embed 13 additional NNGOs is underway. This hub has been noted by several informants to be a positive platform for the amplification of local voices and an advocacy body lobbying the Congolese government to allocate resources from the national budget to local organizations for disaster response.

One stakeholder asserted that pooled funds could make improvements to the sector in terms of providing money directly to women-led organizations, alongside institutional capacity strengthening opportunities, and suggested that a dedicated fund for women-led organizations may be necessary in the future to ensure women leaders benefit from PFs.

Recommendations:

- **Donors should increase overall funding to pooled funds, while providing alternative funding for L/NNGOs to develop organizational capacities to become eligible.**

- **Pooled funds should:**

  - **Be flexible in allowing longer-term grants**

  - **The process to become eligible for HF needs to be streamlined and requires more transparency for those who are deemed ineligible**

  - **Ensure L/NNGOs receive sufficient overhead**

  - **Consider consortia led by NNGOs**

  - **Allow budget for capacity strengthening and/or have a separate mechanism for this purpose**

- **Donors and the UN should focus more efforts on reaching women-led organizations through the CBPF.**

- **Donors should fund alternative mechanisms to the HF, such as the Start Fund.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

Section 3 - Human Resources

The second category of barriers examined in this research were those related to Human Resources (HR). This category was broadly split between two issues – capacity of L/NNGOs and staff cycle challenges. The following were the highest ranked barriers in this category in the pre-workshop survey:

1. Capacity strengthening is programmatic, not institutional.

2. Training is designed by international actors, not based on need.

3. Lack of pay parity between L/NNGOs and international organizations.

The following section looks more deeply at this issue of perception of capacity, unpacking the capacities that local actors report to have and those that they are still seeking. Next, there will be a discussion of the 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 POINTS:

- Different perspectives on the capacities of L/NNGOs hinder progress on capacity strengthening.

- L/NNGOs and international actors agree that the main capacity gaps exist in organizational areas, such as financial management.

- Stakeholders highlighted L/NNGOs' superior contextual knowledge and ability to effectively access and work with communities.

Whereas local organizations identified intermediary funding - and more specifically the lack of direct funding - as the number one obstacle to localization during the workshop, INGO participants identified a lack of organizational capacity as the number one obstacle. Given that L/NNGO participants placed this obstacle at number four - after funding, competition, and donor related issues - the divergent views on the topic are clear.

Accepting that there are different perspectives on the topic, capacity was mentioned repeatedly throughout the workshop and interviews confirming that there is a widespread perception among all parties that this is a central issue. While there are many different perceptions on capacity, there seems to be consensus at all levels (L/NNGO, INGO, donor, and UN) that L/NNGOs tend to have capacity gaps in the area of organizational capacity.

One donor conceded that their perceptions of the capacities of L/NNGOs versus INGOs are often derived from their participation in coordination mechanisms, such as clusters. There is a sense of credibility attached to organizations that are well-versed on the issues, and there are far more INGOs present at these. However, certain L/NNGOs challenge the assumption that they are less capacitated than international actors and highlight the need to differentiate between the different-sized L/NNGOs. A capacity advantage for INGOs is that their staff tend to have worked in several different contexts, so they can bring this experience to DRC, according to a UN stakeholder.

The research evidence drew a clear distinction between technical/sectoral and organizational/administrative capacities. The consensus across all stakeholder sectors was that local organizations tend to be more competent at the technical level and indeed have a better ability to network, gain access, and work with communities.

One donor echoed this view, noting that certain well-established L/NNGOs have the capacity to implement and access difficult-to-reach areas that INGOs do not. Knowledge of local capacity is valued, even though concerns remain over financial management. Nonetheless, these capacities tend to be overlooked in favor of focusing on the areas in which L/NNGOs are perceived as lacking. One NNGO asserted that the refrain about L/NNGOs lacking capacity affects organizations' views of their overall capacities.

Regarding these gaps, stakeholders across the board agreed that L/NNGO capacity was lacking at the organizational and administrative levels. The top subjects listed under the "administrative capacity" umbrella clustered around financial management, grant management, internal controls, proposal development, fundraising, and strategic thinking. Donors and INGOs put a heavier emphasis on financial controls, procedural issues, and overall risk management, whereas L/NNGOs emphasize capacity gaps in fundraising, reporting, and logistics. For example, one donor who directly funds L/NNGOs highlighted that bilateral discussions focus on "micro" issues versus more "abstract" strategic issues.

One stakeholder highlighted a vicious cycle where, due to the way that funding of L/NNGOs typically happens, L/NNGOs have not been able to develop the capacity to engage directly with donors or create strategic visions that are unique to their own organizations.
A donor also cited difficulties on the part of L/NNGOs in being able to prove the impact of their interventions. These challenges perpetuate their dependence on international actors for funding, which in turn prevents L/NNGOs from developing these capacities.

Nzabumwiza Tantine Rehema (35) is a single mother of two children, and lives in the Mushaki area of the village of Ndobogo, in the province of North Kivu in eastern DRC. Ms Rehema was selected to join the AVEC/AGR group of the Irish government-funded HPP project because she was a single mother struggling to support herself and her two children.

Photo: Ariane Rwankuba/Concern Worldwide

"A [local] NGO, even if it has skills, if it does not know how to interest donors, there will always be this dependence [on intermediaries]."

UN

Several stakeholders identified financial management as a key capacity gap for L/NNGOs. One UN Agency noted that trust can be easily lost between partners due to financial management challenges. The perceived gap in financial management capacity is also used to justify the continuing involvement of INGOs. An OCHA representative noted that the ideal situation is where a L/NNGO who knows the context is leading on project implementation, with an INGO partner to manage the grant while also being able to transfer these organizational skills to the L/NNGO.

Language capacities can be a barrier, particularly for smaller LNGOs or CBOs. These language barriers perpetuate a sense of exclusion, where LNGO staff may feel marginalized in critical discussions and planning despite being more personally affected by the decisions being made. This also observed in the extensive use of jargon by international actors. One donor suggested that international actors need to learn to communicate with less jargon to be more inclusive of L/NNGOs.

Additionally, a lack of French language capacity on the part of key donors exacerbates communication difficulties. A representative of said donor admitted this problem, acknowledging that they do not have enough French speakers and that L/NNGOs do not have enough English language speakers, making it difficult for some organizations to even register in their system. One NNGO spoke of the negative impact this has on L/NNGOs, requiring them to produce and submit documents in English despite DRC being a country where French is the official language.

"Local NGOs don't even recognize the capacity they have after being told so often they don't have it."

NNGO, DRC

Photo: Gabriel Nuru/Concern Worldwide

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3.2 Capacity Strengthening

KEY POINTS:

- Stakeholders agreed on the need for capacity-strengthening opportunities to support L/NNGOs but noted many limitations of current capacity-strengthening offerings:

    - Overemphasis on technical skills vs. organizational/administrative skills,
    - Overemphasis on training personnel vs. building organizational structures,
    - Limited funding that allows implementation of learnings.
    - One-off training that are not followed up with holistic support
    - Designed based on decisions of international actors rather than the needs of L/NNGOs

- There was broad consensus that INGOs and UN agencies could play a major role in transferring skills to local actors, though this may require more flexibility from donors to allow funding to be spent on capacity transfer initiatives. Two-way secondments between L/NNGOs and INGOs were also seen as a promising method for capacity strengthening.

There was consensus among stakeholders at both the local and international levels around the need for capacities to improve to respond most effectively to humanitarian crises. However, there are challenges with accessing opportunities for capacity strengthening and with the effectiveness of these initiatives. The following section seeks to identify the limitations of existing capacity-strengthening efforts and what areas require the most focus.

There is broad consensus that one key role that INGOs and UN Agencies can play to advance localization is to transfer skills and capacities to local actors. Certain stakeholders also mentioned the cluster system's role in strengthening local actors' capacities. One L/NNGO complained that cluster training opportunities are less common than in previous years.

As one UN agency put it, "there are a lot of initiatives, but too much capacity [strengthening] on technical issues....and not enough on grant and fund management". The capacity strengthening opportunities on offer often do not meet the actual needs of the organization. This is due to the capacity strengthening initiatives being designed by international actors, without sufficient input from the L/NNGOs.

There is also a need for capacity strengthening to be accompanied with complementary funding, to practically apply the skills developed. One donor cited an example where a significant capacity development initiative was deemed a failure, as it was not accompanied with funding for the organizations at the end, thus the capacities were lost.

> " In our opinion, the role that international NGOs can play is to start having local partners.....to train them, to initiate them for the day that international NGOs leave, so that local people, local NGOs, can even work together to absorb large-scale funds."

NNGO, DRC

A UN Agency mentioned the positive impact of a pilot project with a L/NNGO where they provided training on financial management, accompanied by small resources to implement projects. As a result of this project, the L/NNGO were able to apply for funding from other donors.

INGOs recognize the role they can play in strengthening the capacities of L/NNGOs but express frustrations at the lack of support or flexibility from donors. One INGO described their difficulties in developing long-term organizational capacity development plans for their partners. They described themselves as "stuck to sectoral approaches" because all the funding for capacity development was tied to projects and the capacities needed to be linked to the technical sectors of the projects.

They were unable to find a donor who would support the organizational capacity development. Another frustration was that INGOs require long term projects to transfer skills effectively, yet only short-term options were available.

There is also a role for the bigger L/NNGOs to play in developing capacities of the smaller organizations. Examples of these approaches were mentioned above when discussing consortium approaches. One UN Agency described a strategy of asking their bigger partners to find smaller organizations with lower capacity and to work with them on implementation.

However, some observed that the bigger NNGOs in DRC were not in the habit of doing this and that it would require direction from the donors. On the other hand, there have been proposals to HF by large NNGOs to work in consortium with non-eligible L/NNGOs that have always been rejected.

In addition to fresh conceptualizations of the subject, some practical opportunities to improve capacity in the service of localization include two-way secondments. One INGO gave the example of allowing key administrative staff to be seconded to local partners, and vice-versa to share "institutional aspects." This INGO also places particular emphasis on working to develop the structures of the organization and not just the personnel, who can be recruited by another organization.

Another missed opportunity highlighted by L/NNGOs was the lack of feedback by donors following failed funding applications, which is both demotivating, and provides no opportunity for improvement.

"No one can pretend to know better DRC L/NNGOs' capacity needs than the L/NNGOs themselves. Donor should take time to listen to our needs and provide us with the means to address them"

NNGO, DRC

Recommendations:

- **Donors should provide funding opportunities with the sole objective of supporting capacity strengthening initiatives.**

- **UN agencies and INGOs should improve the relevance of capacity strengthening initiatives by co-designing them with L/NNGOs or basing them on organizational capacity self-assessments**

- **UN agencies and INGOs should improve the effectiveness of capacity strengthening by following it up with mentoring, secondments, or other opportunities to put learnings into practice.**

- **Capacity strengthening initiatives should focus more on building organizational structures over training individual personnel.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

3.3 Capacity Sharing

KEY POINTS:

- A paradigm shift from capacity strengthening to capacity sharing is required. This is where there would be a two-way sharing of skills between international and local actors that recognizes the unique capacities of each.

The current "capacity strengthening" system is viewed as being top-down, paternalistic, and one-way by many local actors. There is a tendency for INGOs to overlook or underestimate the technical and contextual strengths L/NNGOs must share with INGOs. What is desired by local actors is a mutual capacity-sharing approach, which would follow the principles of equitable partnership, as discussed further below. It would be helpful–if not a paradigm shift–for INGOs to take an approach, a "co-transfer" of capacities, with L/NNGOs strengthening critical INGO capacity on elements such as contextual, security, and cultural issues.

A UN representative expanded upon this, saying that while international actors can bring experience from different contexts, L/NNGOs have far better knowledge of the local context, providing strong rationale for capacity sharing instead of one-way training. L/NNGO networks can also be utilized to share certain capacities with each other. An OCHA representative stated that they are trying to encourage this with some success. Involving the local partner from the outset in discussions with donors on the type of projects they'd like to have financed is a starting point for effective capacity sharing, as it is at this point that gaps should be identified.

Recommendations:

- **Capacity sharing approaches should be adopted by donors, UN agencies, and INGOs in order to learn from L/NNGO partners and avoid one-way capacity "building" paradigms.**

- **International actors should be open to mutual capacity assessments and to learn from L/NNGO partners**

3.4 Staff Cycle/Human Resources

KEY POINTS:

- Retention of staff was raised as a major issue by L/NNGOs. This challenge with retaining staff hinders localization by regularly undermining L/NNGOs' human resources capacity.

- The major funding discrepancies between INGOs and L/NNGOs is seen as a key driver of this dynamic, with L/NNGOs unable to compete with the salaries and benefits of INGOs due to their significantly smaller financial resources.

L/NNGOs' efforts to develop their organizational capacities are being undermined by the difficulties these organizations have in retaining staff. The salience of this issue was highlighted by the L/NNGO workshop participants who identified "poaching" – or the tendency of international actors to recruit the most experienced staff from L/NNGOs - as the number one HR obstacle to localization. L/NNGOs tend to recruit young people without much experience or expertise and train them in low-paying or volunteer roles. After gaining experience and sometimes exposure to INGOs as implementing partners, these same recruits seek new opportunities with INGOs who can offer better terms of employment.

L/NNGOs complain that this staffing model positions them as stepping stones or "incubators" for INGOs because they cannot compete with the salaries and benefits offered by INGOs. This means that L/NNGOs are constantly losing capacity, as the employees they recruit and the organization cannot usually retain train.

At the heart of this issue is the significant discrepancy in funding for INGOs versus L/NNGOs. Specifically, INGOs tend to have access to a wider diversity of resources, both in terms of in-country funding pipelines and economies of scale. On top of that many have access to internal funds, in the form of general donations or crisis specific fundraising, allocated annually by head offices often in Europe or North America. INGO programmatic funding also has the added benefit of overhead costs/ICR built into budgets.

Additionally, INGOs tend to enjoy longer contracts and have more overlap between project funding than their L/NNGO counterparts. This prevalence of short-term contracts for L/NNGOs fuels significant job insecurity for their employees, with one NNGO interviewee describing their organization as being in a constant state of recruitment because of the inability to maintain permanent staff between projects. In contrast to many L/NNGOs, INGOs are also able to provide not only larger salaries but consistent salary payments, a draw to those whose pay is irregular and unreliable as is often the case in L/NNGOs.

The career growth and development of staff is negatively impacted by these challenges as well.

On top of bigger, more reliable salaries, meaningful benefits offered by INGOs often include medical insurance, paid leave, pension plans, and field per diem. Less tangible benefits can include more reliable security measures, more comfortable field accommodation, and better access to technology.

Stakeholders also raised that the traditional characteristics of L/NNGOs make them especially vulnerable to the impacts of staff turnover. L/NNGO leadership is often highly dependent on key committed individuals rather than institutional processes. These organizations face a greater risk of disintegration when faced with the departure of key individuals.

Recommendations:

- **Best practices on ethical recruitment with accountability measures should be published by international actors (UN, INGOs) and reported against.**

- **Standardized salary ranges for certain positions in the sector would avoid international actors' salaries eclipsing L/NNGOs' salaries.**

- **Develop HR policies to safeguard against nepotism when hiring staff.**

- **To address the supply issue for staff to work with L/NNGOs, partnerships between academic institutions, L/NNGOs and INGOs should be explored so that students can learn the skills necessary to work for a humanitarian NGO. INGOs could then offer paid internships to graduates to develop practical experience in the sector, who would then be ready to join L/NNGOs when gaps in their staffing arise.**

Photo: Hugh Kinsella Cunningham/Concern Worldwide

Conclusion

Actors in DRC have demonstrated significant capacity over the years to respond to humanitarian crises. Significant efforts to coordinate among local actors through the CONAFOHD platform serve as an example of the readiness and capacity of local actors to take ownership of the strategy. Despite this initiative and progress, L/NNGOs in DRC continue to feel the consequences of the existing power dynamics, both between international and local actors and among local actors themselves based on geography. These power-related issues undermine the possibility of equitable partnerships, let alone the potential for direct funding to local actors. These barriers are further exacerbated by the low-risk tolerance of donors and partners in a highly volatile context.

The themes of the research project funding, human resources, and power in partnership were analyzed separately. However, during the research, it became clear that all the identified barriers are interrelated, 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. 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 identifying solutions to localization.

The aid sector is accustomed to using logical frameworks and results-based management; however, it is essential to understand that linear approaches to solutions will not be effective. Much of the focus on localization 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 localization, the 'shift in power' required for locally-led responses is unlikely to occur.

International actors' mindsets and perceptions must change as they largely continue to hold both the purse strings and the reins of humanitarian action. A true shift in power and process will only come with profound behavioral change, much of which cannot be enforced through policies or dictates but must come from a deep sense of respect, humility, and dedication to improving the outcomes for affected communities.

This research could not have been possible without the tireless efforts of the team at Innovations & Entrepreneuriat Social whose hard work and reputation opened the door for candid and productive conversations. Additional details, case studies and data on DRC, and other contexts, can be found on the website.