

## NEAR – Network for Empowered Aid Response

Update on Progress since the World Humanitarian Summit

## **Executive Summary:**

This paper was prepared by:<sup>1</sup>



NEAR, the Network for Empowered Aid Response was created from the desire by local and national non-governmental organizations (NGOs) from Asia, Africa, the Middle East and Latin America to promote a more equitable and dignified humanitarian and development system. NEAR's Vision is to see communities and local and national capacities at the centre of all aid efforts. It also provides a much-needed forum for local and national NGOs to influence the wider policies and practices that affect their capacities and operations and the wellbeing of communities.

We envision increased genuine accountability to donors, the public, and affected communities by promoting greater transparency in local, national and international responses to humanitarian and development challenges. And we want people to be at the heart of every response so everyone from donors to affected communities can see the quantity and quality of what is delivered and received. We want to close the gap between the traditional aid system and the communities it aims to serve.

The Network has 56 'committed members' who are now in the process of formalizing their membership to NEAR. The <u>membership criteria</u> <u>application process</u> was finalized in July 2017 and we are currently engaged in an aggressive membership drive that is expected to create a sizeable number of members from Africa, Asia, Middle East and Latin America.

To formalize the network, NEAR is envisioning having an Annual General meeting in March of 2018 to put all the members together to among others take common positions on various international discourse on the localization Agenda. Additionally, this being the first meeting we will also make decisions on the network's organization structure, membership fees, elect various committees, discuss and adopt the articles of association among other important decisions for a new network. In solidarity with the disaster affected regions, it is envisioned that this meeting will be held in Nepal.

<sup>&</sup>lt;sup>1</sup> This paper was authored by Elisah Mbiza and Clara Mwanthi with contributions from Anne Ikiara and Degan Ali. The views expressed in this paper are those of the authors and do not necessarily reflect the views of the United Nations Secretariat.

## Achievements up to date

## 1. NEAR commits to raise the voices of local and national NGOs and affected people from Asia, Africa, Middle East and Latin America at international policy and decision-making forums.

#### 'Nothing about us without us'<sup>2</sup>

NEAR has currently positioned itself as a much-needed platform for local and national organisations. Since launching last May, our network has over 56 'committed members' and includes over 30 NGOs from four regions chronically affected by the largest humanitarian crises of today.

In upholding the spirit of diversity and inclusivity, NEAR submitted open letters to IASC encouraging them to consider not just incorporating views of local actors into their discussions on how better to work together, but including two standing invitations to the IASC, for NEAR and one other network from the Global South representing local and national organisations – a part of our system which continues to be underrepresented in decision making spaces, despite its significance to the delivery of assistance and meeting people's needs in emergencies.

On the issue of promoting the implementation of the localization agenda, the network has taken to various international media platforms with a call to action to all players who committed to the Grand Bargain and Localization Agenda. An open letter was written to The Grand Bargain officially requesting a seat at all future Grand Bargain Sherpa group meetings with the same level of participation as other networks based in the US and Europe. This request is a move toward a system that is genuinely inclusive and participatory rather than exclusive and top down.

NEAR has taken an active part in the localization marker working group which has been working for 9 months to finalize definitions of local actors and what "directly as possible" means in reference to the 25% Grand Bargain commitment and what is a "local actor". NEAR along with others from the Global South and North have been actively engaged in the Localization Marker Working Group and provided feedback to the process at various stages. A survey was also undertaken that received 450 respondents, which was used to inform the final definitions. While the process has not been taken to local actors through country or regional consultations and has been dominated by the north, NEAR still believes that some of our views were considered in the definitive version of the working group on 13th April 2017. Through this

"We do not have all the answers at NEAR. What we have is proximity and intimate understanding of our communities, along with local credibility and trust. We're creating an environment that enables innovation and great ideas."

Degan Ali, Executive Director of Adeso, and a member of the NEAR Leadership Council

lengthy consultative process, the following definitions were agreed by the working group:

## I. Direct funding (Category 1):

For institutional (mainly government) donors - direct funding from the original donor to local and national organizations i.e. funding that does not pass through an international intermediary.

<sup>&</sup>lt;sup>2</sup> Charlton, J. I. (1998). Nothing about us without us: Disability oppression and empowerment. Berkeley: University of California Press

For UN agencies and international NGOs – the direct onward transfer of publicly- raised funding (i.e. funding that does not come from institutional donors) to local and national organizations.

### II. "As directly as possible' funding (Category 2):

Funding channeled through a pooled fund that is directly accessible to national and local responders.

### III. Indirect Funding (Category 3):

Funding from the original donor to any of the local/national organization types listed above that involves two or more transaction layers.

From the above working group definitions, NEAR strongly recommends that only categories I and II should contribute towards the 25% target.

### Advocacy

NEAR was bold enough to bring to the international advocacy arena the disappointment by organisations in Africa, Asia, Middle East and Latin America to the revision of the definition of direct funding after finalization of the localization marker working group definitions paper.

NEAR Network with the support of local actors from Africa, Asia, Middle East and the Pacific wrote an <u>open letter</u> to the co-conveners of the work stream on localization. We got so much publicity as follows;

NEAR cries foul as localisation agenda stalls

The 'Grand Bargain' one year on: Some progress, a long way to go

## 2. NEAR will publish a bi-annual report by 2018 that tracks progress on localization, including the percentage of aid flow to local actors.

NEAR has been actively participating in the localization agenda discourse. Part of the discussions included definitions, indicators and targets which have become highly political as it means that the definitions agreed will inform how progress can be measured going forward. We realize how critical it is in reaching a consensus on these issues as this will influence the design and methodology to be adopted in its publications and ensure that the reports will be collectively owned.

Further, NEAR is in the process of undertaking a transaction cost/traceability research study which will contribute significantly to the global humanitarian system's body of evidence regarding the most effective means of implementing relief work. This research will serve to provide baseline data utilizing the data from 2 or 3 case study countries. The report findings will be published in said 2018 bi annual report.

## 3. NEAR will advocate for a global transparent mechanism to track progress on how much funding is flowing to local actors such as the IATA or OCHA FTS.

NEAR is interested in both traditional and non-traditional financial resource flows, in particular tracking resources flows from various donors to local actors and research on establishing innovative financial models for local actors.

Before work can begin on tracking progress on financial flows, two things need to happen: first is definition of i. what is a local organizational, and ii. as 'directly as possible.' An agreement on definition is a first step towards better tracking of funding flows to local actors. The second thing is the need to have a baseline so that we know how much progress is actually being achieved as part of the tracking process. The Grand Bargain initiative through the work of the localization marker working group and the Inter-Agency Standing Committee (IASC), where NEAR has actively participated in the last few months completed work on the definitions. The definitions agreed by the localization marker working group will inform NEAR's work in tracking the 25% Grand Bargain target.

"I am very concerned about the whole definition of localisation," Degan Ali, executive director of Kenya-based NGO Adeso, and a vocal advocate for more direct funding for Southern NGOs, told IRIN. "There's a lot of effort to try to dilute the language and the specificity of the targets."

## 4. NEAR will also undertake seminal pieces of research, such as documenting the transaction cost in the aid industry. This research will further articulate the challenges, opportunities and capacity that exist within local communities and actors.

NEAR has commissioned two research pieces. The first piece 'Social Financing: A Shariah Compliant Model broadly touches on innovative financing models that are trying to create financial sustainability for local organizations through national/local resource mobilization in Somalia. <u>Read</u> <u>More</u>.

The second piece 'Islamic Financing In Social Action: The Scene of Waqf in Turkey' aims at providing a set of analytical perspectives to illustrate areas of potential engagement with Waqf institutions in Turkey. <u>Read More.</u>

# 5. NEAR will provide a platform for dialogue on equitable partnerships by organising exchange forums and documenting good practice in partnerships. It will help to develop practical implementation of principles of partnership from local and national perspectives.

NEAR has undertaken traceability studies on humanitarian pooled funding focuses on providing practical, progressive and authentic solutions, driven and designed by local and national actors. The brief provided gives an update on the current status and expected directions of the research over the coming months. It also extends an open invitation to engage interested actors in the research process and in supporting outcomes of the research. <u>Read More.</u>

## 6. NEAR will work with its members and other strategic networks at regional, national and local levels to strengthen the capacity of its members and establish robust accountable systems to the community and public donors.

NEAR rolled out a Capacity Strengthening Program that is uniquely designed to equipping local and national civil society organizations with necessary organizational capacities to enable them effectively respond to humanitarian and development needs in Africa, Asia, Middle East and Latin America. The program is designed to improve the effectiveness of humanitarian response for disaster affected communities through strengthening the capacity of local and national organizations. It further builds a cadre of national and local civil societies for better organisational sustainability. NEAR has been represented by different members of the Leadership Council and the Management on different localization platforms. The message has been clear cut across these platforms calling for the localization of aid. The latest forum to be held in Kenya brought together over 15 local NGOs and experts to identify issues on aid delivery and prepared key messages on aid localization in Somalia and Somaliland. It further aimed at constructing a structured dialogue

"A lot of the organizations especially from Africa, Asia, Middle East and Latin America share similar challenges. We can work together on these issues, share our experiences, lessons, and with combined efforts, find some solutions to these challenges."

NEAR Member Hari Darshan Shrestha, Executive Director of Centre of Resilient Development, Nepal. between local NGOs, international non-governmental organizations (INGOs), the United Nations (UN) and donors. Participants looked at the challenges faced by local NGOs in Somalia/Somaliland and identify ways to mitigate them.

NEAR partnered with Mango in a Capacity Mapping Exercise to pilot the Standard for Good Financial Grant Practice (GFGP) with 25 of its members in 5 countries from May – July 2017. NEAR introduced the GFGP to its members and customized the tool to fit the local organizations' needs in a specific context. The capacity mapping assessment tool standard allowed local NGOs to demonstrate their capability to receive funds directly rather than through INGO intermediaries.

## The main barriers/ challenges to progress

#### Purposeful exclusion from international conversations on localisation

Having been involved in the IASC Humanitarian Financing Task Team, localization marker working group, NEAR was disappointed to learn of the revision of the definition of direct funding after finalization of the localization marker working group definitions paper. We also lost trust after all the efforts we put to work for over 9 months was changed behind closed doors in a non-transparent manner.

INGOs have dominant roles in every Grand Bargain working group/ committee. This can be attributed to lack of inclusion of local and national organizations to have physical presence and contribute their ideas in these meeting. Very few of them have become signatories in these committees therefore, limiting their influence. Ultimately, this has led to obscuring of the ideals of the localization agenda. This has led to intimidation of the local organization by their international counterparts in the discourse on localization. The processes in which localization discussions are conducted lack credibility.

## Gaps between the actions of stakeholders and advancing the initiative

NEAR network is a new initiative with a big vision. We have set really high standards and taken on a big responsibility to represent organisations in Africa, Asia, Middle East and Latin America in matters of localization. While we feel confident that we are equal to the task, we are still new. We therefore need time not only to build a critical mass of membership to enable us to further amplify our voice on the global stage, but also build the necessary organizational systems and structures to enable us to actualize our objectives.

## Examples of good practice that could help to advance the initiative

### Capacity Strengthening Program<sup>3</sup>

NEAR rolled out a Capacity Strengthening Program that is uniquely designed to equipping local and national civil society organizations with necessary organizational capacities to enable them to effectively respond to humanitarian and development needs in Africa, Asia, Middle East and Latin America. As the first and only global network representing the voices and first-hand perspective of local actors, NEAR is uniquely positioned to lead the discourse for negotiating and advocating for an aid system that is more effective and people centred. NEAR has taken this challenge well by striving to be a strong and internationally recognised advocacy agenda. However, the advocacy positions being taken by NEAR lack empirical evidence to support them.

"We want NEAR to be an inclusive network – one that promotes equitable, dignified and accountable partnership in the humanitarian and development world."

Rezaul Karim Chowdhury, Executive Director of COAST Bangladesh, and a member of the NEAR Leadership Council

They are therefore open to being challenged by opponents. To give a concrete base for the advocacy agenda, NEAR is embarking on research to gather evidence to support its advocacy positions.

## Recommendations

To make sure that we do not lose sight of what we have set up to do, we need to continue vibrant advocacy activities and support local and national actors in holding the INGOs accountable to the Grand Bargain Commitments. For this to happen, we need solidarity and a common agenda and vision.

There has to be intentional inclusion of local and national organizations from Africa, Asia, Middle East and Latin America into the IASC and Grand Bargain signatory group.

We need to address the structural inadequacies of local and national organizations in Africa, Asia, Middle East and Latin America in addressing the needs of their constituents. But on the same breath, we need to find more innovative ways to both find the resources to finance and support our own initiatives. Increasingly, there are available resources in Africa, Asia, Middle East and Latin America that can be harnessed to support our own needs.

<sup>&</sup>lt;sup>3</sup> This document covers humanitarian aid activities implemented with the financial assistance of the European Union. The views expressed herein should not be taken, in any way, to reflect the official opinion of the European Union, and the European Commission is not responsible for any use that may be made of the information it contains.