



Localisation

Implications for the International Non-Government-Organisation sector

CID briefing paper

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1.0 Summary and Recommendations

The purpose of this paper is to stimulate thoughts on the implications for New Zealand based International NGOs (INGOs) of the greater 'localisation' of humanitarian aid and development.

The discussion about what 'localisation' will mean for the Ministry of Foreign Affairs and Trade (MFAT), INGOs and local NGO partners in-country is relatively new, having only come to global prominence since the 2016 World Humanitarian Summit. The ideas that lie behind localisation have, however, been prominent in conversations about reform of the humanitarian sector for many years. At the heart of 'localisation' is the commitment to strengthening the independence of local and national leaders in humanitarian action and decision making, in order to better address the needs of affected populations.

This issues paper starts with a discussion about the definition of localisation and the global implications. It then seeks to identify the challenges localisation will present New Zealand based INGOs. The paper next addresses the opportunities of localisation, before concluding with some brief comments on the next steps for INGO leaders, CID and MFAT to consider in responding to these challenges and opportunities.

Some notes of warning at the outset:

First, in the recently published report '*Going Local*' the Australian Red Cross notes that:

"The dominant approach to localisation within organisations has been to tweak – in a programmatic sense – rather than rethink the systematic approach to local humanitarian action¹."

Organisations that already believe they are local, or believe that a few tweaks to their systems will be sufficient to 'localise' them, are in for a shock. The implications of localisation are profound touching on every aspect of an INGO's work including the nature of partnerships, business, financial and operating models. Localisation is more than a new programme of work. It aims to fundamentally rebalance the entire humanitarian ecosystem.

Secondly, it would be a mistake to see localisation in isolation from a raft of other initiatives which are aiming to improve the overall performance of the humanitarian ecosystem, such as the INGO Accountability Charter², Core Humanitarian Standards³, Charter for Change⁴ and the Less Paper more Aid⁵ initiatives. Taken together these various initiatives shift the balance

¹ *Going Local: Achieving a More appropriate fit for purpose humanitarian ecosystem in the Pacific*. Australian Red Cross. October 2017 page 1

² <https://accountablenow.org>

³ <https://corehumanitarianstandard.org>

⁴ <https://charter4change.org>

⁵ <https://lesspapermoreaid.org>

in favour of local actors and introduce greater transparency and accountability to the whole system.

Thirdly, while almost all humanitarian actors and commentators welcome localisation, if it is poorly conceived or implemented, it will have profound and damaging impacts on the communities we serve. There is a limited 'window' for local, national, INGO leaders and CID to influence the policy framing and rollout.

Fourthly, at this stage localisation is aspirational. It is believed that localisation will lead to better outcomes and a more effective and efficient humanitarian sector. There is a sound basis for this belief. Most INGOs have been practicing partial versions of localisation in their own programming activities for many years. The research on localisation, to date however, has been on relatively small scale programmes. The results are encouraging, but localisation fundamentally rebalances the entire humanitarian ecosystem and will lead to significant shifts in power and relationships. It is critical that research is undertaken, contemporaneously with moves towards localisation of funding and decision making, to quantify the benefits and any lessons learned in transition. Being able to point to quantifiable benefits, in what will inevitably be a long, messy and complicated transition, will go some way to silencing the inevitable critics faced with a loss of influence and power.

2.0 Methodology

This short issues paper presents the challenges and opportunities facing the INGO sector as it grapples with the implications of the 'localisation' of aid and development funding.

The debate about localisation is still relatively nascent in New Zealand, hence this paper draws extensively on research undertaken by the parent bodies of New Zealand based INGOs including Red Cross, TEAR Fund, Save the Children, Oxfam, Caritas and World Vision.

Secondly, this paper only addresses the implications of localisation for New Zealand based INGOs. It is beyond the scope of this paper to address the implications of localisation for local and national actors. In the spirit of 'localisation' this aspect of the conversation must be designed and led by local actors, with international actors (such as New Zealand based INGOs and MFAT), who might normally expect to 'curate' such discussions, taking the back seats.

Thirdly, this paper touches on, but does not address in detail, the implications for MFAT and other New Zealand Government agencies of localisation. Given the number of New Zealand Government agencies with longstanding partnerships, particularly in the Pacific (e.g. Health, Education, Corrections, Police and others) it is presumed this work is already underway.

3.0 Background

In May 2016 the World Humanitarian Summit met in Istanbul. A United Nation's convened initiative, it took place in the context of increasing debates about how best to rebalance the world humanitarian system in the face of unprecedented and growing humanitarian needs. Many attending felt that donors, INGOs and humanitarian agencies only paid lip service to the role and views of local and national humanitarian organisations.

A System Out of Balance: The Cyclone Pam Response

A local example of the need to rebalance the international humanitarian system in favour of local and national actors can be seen in the international response to Cyclone Pam which devastated Vanuatu in March 2015. Local humanitarian plans, actors and systems were overwhelmed not only by the unprecedented scale of the disaster but by the sudden arrival of numerous organisations unfamiliar with the context bringing, with them approaches largely untested in the Pacific. Four local agencies - CARE, Oxfam, Save the Children and World Vision prepared a report "One Size Doesn't Fit All" ⁶ as a contribution to the World Humanitarian Summit in which they argued for greater recognition of, and support for, national non-governmental actors including support to develop robust systems and procedures for disaster response (see Appendix 1 for a summary of the report's recommendations).

The World Humanitarian Summit confirmed that 'localisation' was a key priority and more than thirty of the world's largest donors and aid providers (including Governments, United Nations agencies, INGOs, Red Cross and NGOs) signed the Grand Bargain (GB), which set out 51 commitments (distilled to ten thematic work streams) designed to reform the financing of humanitarian assistance and pursue a more efficient, effective and fit for purpose international humanitarian system⁷.

The United Nations subsequently established a Grand Bargain Secretariat (GBS) to support the implementation of the Grand Bargain objectives. Their first annual report was published in 2016 ⁸.

This paper is focused on the Grand Bargain commitment number two: 'More support and funding tools for local and national responders', commonly referred to as 'localisation'.

Commitment two reads:

⁶ *One Size Doesn't Fit All Tailoring the International Response to the National Need Following Vanuatu's Cyclone Pam* June 2015.

⁷ According to GB Interagency Standing Committee, there are now 59 signatories (24 states, 11 UN agencies, 5 INGOs, Red Cross movement and 19 NGOs) representing 80% of all humanitarian contributions donated in 2017 and 76% aid received by agencies.

⁸ <https://www.icvanetwork.org/resources/grand-bargain-independent-annual-report-2016>

2. NATION AND LOCAL RESPONSES (LOCALISATION)

Aid organisations and donors commit to:

1. Increase and support multi-year investment in the institutional capacities of local and national responders, including preparedness, response and coordination capacities, especially in fragile contexts and where communities are vulnerable to armed conflicts, disasters, recurrent outbreaks and the effects of climate change. We should achieve this through collaboration with development partners and incorporate capacity strengthening into partnership agreements.
2. Understand better and work to remove or reduce barriers that prevent organisations and donors from partnering with local and national responders in order to lessen their administrative burden.
3. Support and complement national coordination mechanisms where they exist and include local and national responders in international co-ordination mechanisms as appropriate and in keeping with humanitarian principles.
4. Achieve by 2020 a global, aggregated target of at least 25% of humanitarian funding to ***local and national responders directly as possible*** to improve outcomes for affected people and reduce transaction costs.
5. Develop with the Inter Agency Standing Committee (IASC), and apply a localisation marker to measure direct and indirect funding to local and national responders.

Make greater use of funding tools which increase and improve assistance delivered by local and national responders, such as UN-led country-based pooled funds (CBPF), IFRC Disaster Relief Emergency Fund (DREF) and NGO-led pooled funds.

New Zealand's Grand Bargain Signatory Status was endorsed at the Grand Bargain Joint Facilitation Group Meeting in Berlin on 24 October 2017.⁹

At the annual Grand Bargain second annual meeting in July 2018 New Zealand and Australia made a joint statement noting:

"In jointly operationalising Grand Bargain commitments in the Pacific, we are 'Walking the talk' on localisation, supporting national coordination systems, national leadership of disaster preparedness and early recovery, and working with international and national NGO partnerships to build institutional capacity in support of local leadership and decision-making."

⁹ New Zealand's [2017 Grand Bargain self-report](#) is published online on the IASC website

Under the Pacer Plus agreement, the New Zealand Government has also approved an ‘Aid for Trade’ funding target for the Pacific of 20 per cent of Total Official Development Assistance.¹⁰

4.0 The Global Challenges of Localisation

4.1 What is Localisation and how local is local?

Most commentators see localisation as highly desirable both ethically and morally¹¹. The advantages of localisation include local knowledge, connections, expertise and ability to influence change on the ground. It will go some way to rebalancing the distribution of power within the global humanitarian system.

But what does localisation mean in practice?

The Grand Bargain states that by 2020 a global, aggregated target of at least 25% of humanitarian funding to ***local and national responders as directly as possible*** to improve outcomes for affected people and reduce transaction costs.

The Grand Bargain Secretariat has defined ‘**local and national responders**’ as:

“Local responders are currently defined as organisations engaged in relief who are headquartered and operating in their own aid recipient country and with autonomous governance, financial and operational decision making”.

This almost certainly means that an organisation affiliated to an INGO is ruled out even if it is registered locally because it will fail the autonomy test. The implications for INGOs such as World Vision are especially significant as World Vision headquarters are in the United Kingdom, the local offices are not autonomous and senior staff are appointed by the international body.

The Grand Bargain Secretariat has also defined “**as directly as possible**” as meaning “*direct funding from the original donor to local and nation actors for humanitarian purposes*”. This direct funding test similarly challenges the broker model that most INGOs operate under (see later).

One question that has received scant attention to date is the scope of localisation. The principles and wording of the various policy documents imply localisation covers both humanitarian **and** development aid. Almost all the international discussion and case studies, however, have focused on short term relief aid. There seems little reason why the principles of localisation should be limited to disaster preparedness and emergency response situations.

While the international definitions of localisation are relevant, it would be ironic indeed if the local voices were not involved in defining what localisation means in their context. In 2017

¹⁰ See full text of Pacer Plus [here](#), particularly paras 4-9 in the Implementing Arrangement

¹¹ See *Localisation of Aid: Are INGOs walking the talk?*

The Australian Red Cross in partnership with the Fiji National University and practitioners from Tonga, Fiji, PNG, Vanuatu and Australia researched the following question:

“What would a successful localised disaster management ecosystem in the Pacific look like and what changes does Red Cross and the broader humanitarian system need to make to get there?”

The team defined localisation as:

lo.cal.is.a.tion(n.): is a process of recognising, respecting and strengthening the independence of leadership and decision making by national actors in humanitarian action, in order to better address the needs of affected populations¹².

Their research found that from the perspective of Pacific humanitarian actors, the transfer of power and relationships lies at the core of localisation. Pacific respondents to the Red Cross research commented that a conversation about how best to localise begins with an understanding of the current power dynamics. Many respondents expressed concern that international actors think they are already localised. Many saw an ongoing role for international actors but it needed to move from a power imbalance in favour of international actors to one of complementarity.

4.2 Significant Shift in Power

The Global Humanitarian Assistance report¹³ notes that the proportion of humanitarian assistance going directly to local and national NGOs actually decreased between 2015 and 2016, from 0.5% to 0.3%. The report notes that the addition of government and private sector funding lifts the total to 2%. This falls a long way short of the 25% figure anticipated in the Grand Bargain.

The Red Cross research referred to above comments that:

“...from the perspective of Pacific humanitarian stakeholders, the process can only start once there is an understanding of the current power dynamics and a desire to see these dynamics change.¹⁴”

Respondents also commented that any shift in power must be preceded by a change in attitude and behaviours.

4.3 No Global Consensus on Approach

An internal working document prepared for Integral Alliance members surveyed the approaches being adopted by United States, Dutch, British, Australian and European governments and noted that there is no consistency in approach in large measure because of

¹² *Going Local* ibid page 4

¹³ <https://devinit.org/post/global-humanitarian-assistance-2017/>

¹⁴ *Going Local* ibid pg. 4

the difficulties reconciling current technical and legal frameworks¹⁵. The absence of an agreed approach will become an increasingly pressing issue for recipient NGOs who often have multiple contracting relationships across many different donor bodies.

4.4 A Changing Agenda

The Australian Red Cross study asked participants about the required changes in key thematic areas (Human Resources, Legal, Finance, Policies and Standards, Relationships, Capacity Development) to enable localisation. The following table reflects the number of times (expressed as a %) participants mentioned one of the six thematic areas:

1. Capacity Development	45% respondents
2. Relationships	21%
3. Finance	14%
4. Human Resources	11%
5. Policies and Standards	7%
6. Legal	2%

Significantly, 66% respondents emphasized capacity building and relationships and commented on the importance of trust building as well as capacity building. What is striking is that the global agenda discussions have been dominated by themes such as human resources, policies, legal frameworks and financing, which in the Pacific context, at least, were seen as less significant¹⁶.

It is also worth noting that in relationship to financing, participants rated transparency of funding as more important than the source of funding.

5.0 The Challenges of Localisation for New Zealand based INGOs

5.1 Challenges the INGO brokering model

Localisation is a direct challenge to the broker model most New Zealand based INGOs operate under.

Typically, a New Zealand INGO secures funds from private donors and/or government in response to an identified need. In turn the INGO contracts with a local or national NGO, or uses their own in-country staff, to deliver services. The INGO operates as an advocate for funding, relationship manager, monitor and evaluator of the project, a guarantor of funding and often a co-funder.

The traditional brokering model has been under threat for some years with the rise of peer to peer lending platforms and donors increasingly querying the value-add that INGOs bring to the humanitarian eco-system. The advent of localisation merely hastens the inevitable decline of the brokering model.

¹⁵ Integral Alliance internal document

¹⁶ *Going Local* ibid p5

Ironically, in response to declining revenues an increasing number of New Zealand based INGOs have reduced their investment in programming capacities and increased their investment in marketing and fundraising. This is precisely the wrong response in an era of localisation where the successful INGOs will be those who invest heavily in local in-country capacity and capability building and have stable and enduring relationships with local partners including MFAT posts and country governments.

5.2 Challenges the Financial Model

Typically an INGO nets out its own costs before passing on the grant/donor funding to the partner or field office. In most cases the grant does not fully fund the INGO costs, so the INGO meets the shortfall through match funding by utilising its own undesignated funds.

It is easy to see how the shift to localisation will reduce New Zealand INGO revenue from Government, as more and more dollars are committed directly to local in-country NGOs. It is difficult to see, at this stage, how the shift to localisation will dramatically lower INGO cost structures. Indeed in the short term it may lead to significantly increase costs as INGOs invest in local NGO relationship and capacity building. Those INGOs with a greater exposure to Government funding are particularly at risk.

Donors (both private and government) are especially sensitive to the ratio of expenses to income. As income declines (with more and more resources localised) and costs increase the ratio will turn increasingly adverse. It is difficult to predict donor behaviour but a quick survey of INGO CEO Group members' annual reports highlighted that most INGOs measure success in terms of funds secured (ie revenue growth) and their administrative costs to income ratio. Both measures are likely to be severely impacted by declining revenues and 'sticky' costs.

At the very least INGOs would be wise to be shifting the conversation with donors towards outcomes and impact rather than measures of internal efficiency. INGOs also need to be alert to the risk that thanks to the advent of new technologies and the increasing ease of transferring funds internationally, local in-country NGOs may well look to fundraise directly from the New Zealand public and government, cutting out the INGO broker.

5.3 Fundraising and Advocacy Implications

'First player advantage' was never more true than in the case of international humanitarian response. The first INGO to get a staff member 'in the news' reporting from a disaster zone reaps the financial rewards. News outlets are particularly keen on a New Zealand voice to increase the sense of immediacy.

INGOs will need to be very careful how they approach marketing and fundraising in the future. The current fundraising formula is fairly standard across most INGOs i.e.:

"There is a crisis in (insert country). We (insert INGO name) are on the ground making a difference. We urgently need your help."

Seldom is the local NGO partner mentioned and invariably the local NGO staff member ‘on the ground’ is wearing the INGOs tee shirt rather than their own. Inevitably the local story is ‘dumbed down’ in favour of readily understood calls to action.

Localisation will require much greater collaboration with local actors before fundraising campaigns launch. INGOs will have to be particularly careful how they position their fundraising campaigns. Local actors may have different priorities to INGOs. Some may decline the opportunity to seek INGO support. All local actors will have views on how their context is portrayed. Undue specificity may leave INGOs with funds they are unable to commit. All of this takes time and may be at the expense of ‘first player advantage’.

Similarly, INGOs with strong advocacy functions will need to reassess both how the story is told and who tells the story. The days of INGO leaders speaking on behalf of indigenous communities are surely numbered.

5.4 Increased Responsibilities on MFAT

Localisation will inevitably increase the responsibilities placed on MFAT with MFAT Posts likely to play a larger role identifying, credentialing (in some form) monitoring and evaluating local NGO performance. In addition one of the critical roles played by the INGOs in relation to their partner organisations is to deal with the welter of technical issues which arise in performing a contract. The resourcing and human resources implications for MFAT could be considerable.

5.5 Differing approaches to employment & organisational practices/human rights

One challenging area will be different understandings of employment practices, the stewardship of funds, reporting requirements and human rights. MFAT is currently able to exert some influence on these factors via the contracts it has with New Zealand based INGOs. Signatories to CID’s Code of Conduct similarly commit themselves to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations. Thus signatories commit to particular behaviours when it comes to, for example, non-developmental activities and transparency of reporting. It does not automatically follow that local and national NGOs will be willing to adopt similar approaches, particularly if they are in conflict with local practices.

5.6 Best Practice versus Contextual Practice

The science of development, although relatively young, is starting to amass a substantial body of best practice. ‘Best Practice’ is not a value neutral term. It begs questions of “in whose eyes?” and “in what context?” Negotiations between INGOs and local communities about best practice are not new, however, by virtue of holding the funding and expertise, INGOs have been disproportionately powerful in these conversations. Localisation will over time shift the power balance in favour of local actors. Future negotiations may, therefore become increasingly fraught as actors seek to balance competing understandings of best practice.

5.7 Legal Implications

It is beyond the scope of this report to identify the specific legal implications of the move to localisation, except to note they are likely to be considerable:

- The international movement of funds is strictly regulated;
- Recent changes in New Zealand health and safety rules may open MFAT up to legal challenge from local and national NGO staff;
- New Zealand is a signature to multiple international conventions, but many likely recipient countries are not; and
- INGOs may struggle to utilise bequests where the assumption is the INGO itself will deliver the support.

6.0 Opportunities for INGOs

6.1 Localisation on the Ground

The Red Cross Study attempted to answer the question “what does localised humanitarian action actually look like?” The study concluded the following:

Localised Humanitarian Action ...

...is led by national actors at all levels of society, with leadership encompassing decision-making and ownership of the response

..builds on and strengthens local and traditional practices and people

... maximises the potential of national and regional capacity before requesting international support

... may engage international resources but retains control over them when, how and where they are engaged

... may request international actors to take a supporting role in alignment with national and local priorities

... is directed by nationally appropriate tools, systems and processes¹⁷

Herein lies an agenda for action for INGOs. The INGO of the future will already be:

- Devolving decision making as close to the field as possible
- Supporting the building of capacity and capabilities in local actors
- Giving thought to its own standing in local communities and being seen to be at the forefront of the localisation discussions

¹⁷ *Going Local* ibid page 5

- Reviewing its human resources policies and practices to encourage more peer to peer support between countries and organisations¹⁸
- Building strong relationships with the local MFAT post
- Opening up conversations with the Pacific diaspora in NZ
- Working with local and national NGOs to develop contextually appropriate, transparent and affordable monitoring and evaluation frameworks
- Inviting local voices to its own decision making table
- Building on existing localisation practices and prototyping and piloting new approaches
- Considering their own local practices – eg how they are engaging with and partnering with Maori and Pacifica
- Promulgating transparency in all financial practices.

Globally New Zealand is particularly well placed to be an active and supportive partner in the globalisation discussions. Our unique constitutional arrangements mean that New Zealanders have developed considerable expertise in partnering with indigenous communities and learning to share power. While the history of this engagement is chequered, the learnings are considerable and position New Zealand domiciled INGOs to play an active role in these discussions.

6.2 Increasing suspicion of international actors

In recent years there has been a marked rise in countries expelling or severely curtailing the activities of INGOs in favour of local actors¹⁹ leaving a number of long standing INGOs little option but to exit the particular context. Similarly, there are a number of contexts in which INGOs are unable to work due to security or corruption concerns. Localisation might offer a means by which INGOs can maintain a presence, probably vicariously via partners, without having to fully exit a context. Similarly it may offer a means by which INGOs can support the work of local partners without having to incur the costs and risks associated with entering a new context.

7.0 Next Steps

7.1 Clarify MFAT stance on Localisation

On behalf of the sector, CID has an important role in helping to clarify and disseminate a joint understanding of what localisation means for both MFAT and INGOs. CID can play an important convening role by offering to facilitate a workshop of INGO leaders and MFAT officials to consider the issues.

The Australian stance may be instructive. DFAT has confirmed:

“It will work with NGOs where our objectives align”.

¹⁸ One particularly egregious practice is that adopted by some international actors who pay above market rates to attract local staff to work for them. This is the antithesis of localisation.

¹⁹ India and Laos are but two examples.

“We work with local NGOs that are genuinely representative of the communities they serve, and that have demonstrated capacity and a focus on performance. When we work with Australian and International INGOs we expect them to demonstrate that they have strong relationships with local partners, to build the capacity of local partners and increase the process of self-reliance and local ownership”²⁰.

7.2 Review the CID Code of Conduct

The CID Code of Conduct can also play a helpful role. The Code’s programming principles include commitments to building strong relationships with partners, respect for equality in partnerships, and effective aid and development. CID can look at extending these principles and develop an explicit set of partnership principles for localisation.

One example is the *Charter for Change*²¹ initiative whereby a number of INGOs have signed up to implement an eight point charter for change:

1. Increase direct funding to southern based NGOs for humanitarian action
2. Reaffirm the Principles of Partnership
3. Increase transparency around resource transfers to southern based national and local NGOs
4. Stop undermining local capacity
5. Emphasise the importance of national actors
6. Address subcontracting
7. Robust organisational support and capacity strengthening
8. Communication to the media and public about partners

7.3 Introducing a Pacific wide Accreditation Process

A challenge for MFAT will be carefully balancing supporting the localisation agenda while meeting its fiduciary obligations to ensure resources are spent wisely including in the best interests of the New Zealand tax payer.

An option CID and MFAT may wish to consider is developing and promoting an accreditation process - a CID Code for Pacific based NGOs. Designing this process in partnership with local actors will be key to securing its efficacy and local support.

7.4 Sharing Learnings

All INGO headquarters will be giving considerable thought to the implications of localisation on their own operations. In preparing this short paper, we examined papers by affiliate organisations of Red Cross, Oxfam, Save the Children, Caritas, TEAR Fund, Caritas and World Vision. All these organisations are represented on the INGO CEO Forum. Undoubtedly other INGO CEO Group organisations have prepared similar reports. The INGO CEO Group is the ideal forum for these ideas to be shared and a collective response from CEOs developed,

²⁰ This information provided by TEAR Australia as part of the unpublished Integral Alliance report

²¹ See <https://charter4change.org>

noting the warning of Red Cross Australia - that merely tweaking programming will prove a very inadequate response indeed.

7.5 Pooled Funding

The Red Cross research highlights that Pacific nations are more concerned about the transparency of funding practices than they are about the funding sources. For all these reasons, localisation may well strengthen the case for CID/MFAT to coordinate disaster relief fundraising and consider sector-wide as opposed to INGO led emergency appeals.

7.6 MFAT Funding for local NGO capacity and capability building

The Pacer Plus commitment by the New Zealand Government for an 'Aid for Trade' funding target for the Pacific of 20 per cent of Total Official Development Assistance for local and national organisation's has been welcomed by Pacific leaders. As with New Zealand domiciled NGOs, Pacifica partner capability and capacity is variable. There is a compelling case for MFAT to consider funding capacity and capability building of local actors, and this approach has been validated in the new funding arrangements announced recently by MFAT, which includes a fund for organisation capacity building.

Under this new mechanism, it will be especially important that local actors design, and as much as possible, lead the capacity and capability building initiatives. One of the clear messages from the Red Cross research is that current capacity and capability work led by INGOs tends to be short term in nature, often directed towards meeting the needs of the INGO rather than local actor and is overly reliant on international staff rather than drawing on the expertise of local actors.

7.7 Design Led Policy Formation

Designing the transition to more and more funding and services delivered locally lends itself to a design led policy formation response. Design led thinking is proving particularly effective in contexts where there are too many unknowns, too many actors, multiple dependencies, unmitigated risks and time is against everyone.

Localisation offers an opportunity to pilot a design led approach to policy development and implementation involving local actors as well as INGOs and MFAT officials. Design led approaches are characterised by:

- Iterative and collaborative ways of working
- Outside/In thinking – i.e. going to customers first to glean their insights before engaging with actors in the system (Discovery stage)
- Highly innovative with the innovation risk managed through frequent testing, prototyping, feedback loops
- Systems thinking
- Rapid scaling based on innovation pilots.

An essential element of design led thinking is the rapid prototyping of ideas. It makes sense for MFAT and CID, in partnership, to develop some localisation pilots to test ideas with a view to scaling across the humanitarian ecosystem if they prove successful.

7.8 Beyond Aid mapping pilot

CID is proposing to pilot the development and implementation of a new mapping tool, to 'map' all New Zealand based organisations contributing to development outcomes - from businesses and government departments to INGOs. The goal is to identify synergies and increase development impact through the facilitation of collaborations, improving accountability and making each aid dollar go further.

The platform would:

- Complement existing planning between governments
- Support the Pacific Reset and localisation goals
- Be coordinated by MFAT posts.

CID would act as a convenor and;

- Coordinate New Zealand NGOs and their local partners
- Work with MFAT to bring business voices to the table
- Champion localisation tools.

The intended outcomes are:

- Better coordination of aid and development activities for real change
- Leadership by Pacific Governments and coordination by MFAT posts
- Localisation - honouring the rights and leadership role of national actors in development
- Development actors and private sector working together better to optimise development impact in-country.

7.9 What role will 'global' play in a world of 'local'?

In moving to greater localisation of humanitarian assistance it is important the transition does not set up a false dichotomy between globalisation and localisation. The adage 'think global, act local' needs to be reinterpreted in the context of localisation, however, localisation need not be at the expense of a global perspective. Initiatives such as the Sustainable Development Goals (SDGs) are if anything more relevant in a localisation context than before, particularly as it appears the global consensus on issues such as poverty alleviation, migration and climate change is under considerable strain.

As Pacific national leaders noted in the Red Cross research, what is needed is complementarity. This can be a difficult balance to achieve particularly during a time of transition when there are major shifts in power and relationships. Perhaps the place to start is with the proposition that in a localised world, what 'value add' can international actors bring to the humanitarian ecosystem?

The One Size Doesn't Fit All report (see above) recommends that the international community must show much greater readiness to move away from 'one size fits all' systems and

procedures and understand its core role as providing surge capacity, technical advice and expertise to national actors to enable local actors to lead and coordinate disaster response in their own countries. Disaster response is just one aspect of the humanitarian system, but the principles pertain to the entire development system.

8.0 Conclusions

Localisation is here to stay. What is most surprising is not the principle of localisation, but rather that it has taken such a long time to reach this point. For many years INGO models of service delivery have emphasized the importance of walking alongside local communities, taking time to know and be known and building local capacity and capability, usually as a precursor to the project beginning. Most successful INGOs have been particularly alert to issues of the power imbalance and have reduced their reliance on international staff in favour of building local capacity and capabilities.

What INGOs have been doing for years on the 'micro' has now become 'macro' as the entire humanitarian and development sector is rebalanced towards local actors. INGOs bring tacit knowledge and years of hard won experience in some of the most challenging contexts on earth to these discussions.

Past experiences and good standing in local communities will not, however, secure the future of INGOs in an increasingly localised world. Tweaking programming will not be enough. What is required is a fundamental rethink of the 'value add' INGOs bring to the global humanitarian ecosystem. It is likely to be found increasingly as a facilitator of relationships rather than as a broker of funds.

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Appendix 1: Cyclone Pam Response: One Size Doesn't Fit All

In 2015 Vanuatu was struck by Cyclone Pam – one of the worse disasters to ever beset the Pacific. Winds in excess of 300km hour destroyed crops, livestock, homes and infrastructure and over half the population of Vanuatu needed assistance.

In anticipation of such an event the Government of Vanuatu, with support from NZ and others, had developed a national disaster response plan, supported by an organisational structure, standard operating procedures, national level cluster groups and the Vanuatu Humanitarian Team to coordinate the activities of non-government organisations. This approach had worked adequately in past smaller impact disasters but was completely overwhelmed in the face of the scale of Cyclone Pam. Multiple NGOs entered the country, many with minimal knowledge of local conditions. Existing local agencies in Vanuatu were overwhelmed.

Following the disaster and as part of the Pacific contribution to the World Humanitarian Summit, four INGOs (CARE, Oxfam, Save the Children and World Vision – each with a significant local presence in Vanuatu) prepared a report entitled *'One Size Doesn't Fit All: Tailoring the International Response to the National Need Following Vanuatu's Cyclone Pam'*. The report concluded with the following recommendations:

1. Communities must be further supported to reduce their vulnerability and mitigate the impacts of disasters
2. The critical role of national non- governmental actors in humanitarian response must be recognised and supported, and national governments must be supported to develop robust systems and procedures for disaster response.
3. The international community must show much greater readiness to move away from 'one size fits all' systems and procedures and understand its core role as providing surge capacity, technical advice and expertise to national actors to enable *them* to lead and coordinate disaster response in their own countries.
4. Much stronger action is required to tackle climate change so as to curb the increase in Cyclone Pam scale events and help Pacific Countries adapt to increased disaster risk.