

LOCALISATION and NGOs: Different Interpretations, Different Outcomes.

Last year, during a flight from Ahmedabad to Mumbai, the airline crew made an appeal, on behalf of ActionAid India, for donations to support the flood victims in South India. It struck me that it was ActionAid India rather than another ‘Indian’ organisation and I wondered whether other organisations in India would have had the idea and the access to the domestic airline, to raise funds this way? Is this a silly question? Why does it matter?

1. What is the ‘Localisation Agenda’?

Well, it goes to the heart of one of the big questions that is likely to bedevil the ‘localisation’ agenda that emerged through the World Humanitarian Summit (WHS) process. The central drive behind ‘localisation’ is transforming the international humanitarian ‘system’. In its current shape, it is seen as too centralised, with a small number of agencies receiving the bulk of the funding, and international responders too often taking over and turning local and national actors into their ‘auxiliary force’. ‘Localisation’ would result in a global humanitarian system where national and local actors remain at the forefront and lead the action, and receive a much larger share of the available funding directly, rather than via international ‘fundingmediaries’. In this reversed configuration, the international actors are the ‘auxiliary force’, helping to implement the strategies and programmes of national/local actors where their capacities are overstretched.

In an earlier blog (<https://www.linkedin.com/pulse/localisation-meanings-trajectories-koenraad-van-brabant?trk=prof-post>) I unpacked the ‘localisation’ process into four major areas of change: the funding streams, the visibility of national actors and their contribution, the quality of ‘partnerships’, and the objective and effectiveness of ‘capacity development’ for national actors. So far, we don’t yet have agreed benchmarks and progress indicators to tell us how we are doing for each of these change objectives. Except for one concrete and measurable target: Whereas today less than 2% of the annual global spent on humanitarian action goes directly to national actors, by 2020 this will be 25%.

Tracing and measuring the financial flows will pose some technical and reporting challenges, but at face value this is a solvable problem. The exercise is likely to become controversial however, for two reasons. One has already been pointed out by others: the insertion of ‘*as directly as possible*’ in the ‘Grand Bargain’ document that summarises the WHS outcomes. Who determines this? If by 2020 most humanitarian funding continues to go to international agencies as ‘first receivers’, this little qualifier can open many loopholes for excuse. The second one is no less tricky: Who qualifies as ‘national/local’?

2. Identity: Who Is ‘National/Local’?

The Grand Bargain document refers explicitly to “*national and local first responders comprising governments, communities, Red Cross and Red Crescent National Societies and local civil society*”.

The Grand Bargain document doesn't mention a category of NGO that appears in the categorisations of the Global Humanitarian Assistance programme: "*southern international NGOs*". 'Southern' here refers to the fact that their headquarters are not in an OECD DAC member country. BRAC from Bangladesh, the All India Disasters Management Institute or Community World Service Asia would be examples. When BRAC responds in Bangladesh or CWSA in Pakistan, they act as 'national' agencies. When they act in Afghanistan, they are regional / international. That is no different than when e.g. the Johanniter in Germany provide services nationally, compared to when they work abroad. The financial tracing system should become sufficiently refined then to differentiate when a 'southern' agency is operating 'nationally' or 'internationally'. That is doable.

A question poses itself however: Is there a meaningful difference between 'southern' NGOs working regionally or more widely, and the original international ones from OECD DAC countries, that needs to be recognised in the 'localisation' effort and in assessing its progress?

The Grand Bargain document also doesn't mention another category of actors that the Global Humanitarian Programme (GHA) defines as '*affiliated national NGOs*' i.e. nationally operating NGOs that are affiliated to an international NGO. ActionAid India fits into this category. So too e.g. Caritas Sri Lanka, Save the Children Jordan, CARE Peru. This leads to the second question: Do they count as 'national'?

The Grand Bargain document is not a legal document. And it hasn't even been endorsed by many governments and other important actors in the humanitarian 'system'. But we can anticipate some vigorous debate, perhaps controversy, about who counts as 'national/local', or 'how national' an agency is. Particularly among civil society agencies.

3. The Business of Localisation.

Who will benefit from 'localisation'? That is, literally, a multi-billion-dollar question in an industry worth some \$ 24.5 billion in 2014. A quarter of global humanitarian spending by 2020 going directly to national/local actors, is likely to mean significant income loss for the international actors, including the UN, who until now have been 'first receivers' and kept a % for their transaction costs before sub-granting it to others. Some have argued that 'localisation' need not be a financial zero-sum game, because it will open up new sources of funding for humanitarian action. Apart from the question whether it is not preferably to invest more in prevention than in response, that remains to be seen.

We can also expect latent or overt financial competition between national governmental and non-governmental actors. In conversations about development aid, various aid receiving national governments in recent years have taken a more assertive stance. They have argued that they want more aid to go through the 'national country systems' i.e. their coffers, and not via parallel projects that often get implemented with national non-governmental actors. Several governments are also restricting the proportion of international funding that national CSOs can receive as part of their total annual turnover.

4. Localisation: A technical or a political agenda?

The financial stakes of 'localisation' are likely to reveal two opposing interpretations.

Interpreted as a *technical* agenda, 'localisation' means '*decentralisation*': Let those in greatest proximity to the crisis have the lead in designing and implementing the response, and support them with the financial, organisational and collaborative capacities to do so. That framing can be found in the Secretary General's report on the 'Outcome of the WHS': "*to devolve leadership and decision-making to levels at closest proximity to crises.*" (§36)

Or 'localisation' is interpreted as a *political* agenda. Its meaning is then well expressed by the title of a project called '*Shifting the Power*'. Here localisation seeks a deeper change in the political economy of (humanitarian) aid. Local and national actors demand not only an operational lead, and more, direct, and better quality funding. They also assert themselves more widely within the overall global politics and policies of international aid-based cooperation. In South African terms: they want a landscape once dominated by a white minority transform into a rainbow nation.

5. The Politics of Identity?

Why does this matter? Because how you interpret 'localisation' leads to very different outcomes.

Under a technical interpretation, an international NGO can argue that, if their country office is registered in the crisis-affected country, and led or even fully staffed by 'nationals', it should count as a 'national/local capacity'. With its proximity and staffing, it is equally well placed to be a fast, effective, and contextually sensitive responder as any homegrown organisation. The 'nationalisation' of INGO country offices then constitutes progress towards 'localisation'.

Under a technical interpretation, an international NGO alliance can also argue that funding that goes directly to its national affiliate, constitutes progress towards 'localisation'. It has the same proximity advantages. Moreover, it is a separate legal entity, registered in country not as the office of an international agency but as a full domestic agency (probably under another Ministry) and is not only staffed but also governed by nationals.

In a 'technical' interpretation, the reform of the international humanitarian system then becomes something like Starbucks or McDonalds: international brands with local franchises. But Starbucks and McDonalds are competitors for truly local or national cafés and eateries. Such 'localisation' can be interpreted as simply a business strategy of multinational (aid-based) corporations. Localisation becomes de facto a strategy of globalisation. It doesn't really shift any 'power' and may continue to undermine national/local capacities by establishing itself more forcefully in local markets.

Not surprisingly, a number of national agencies that are not part of an international alliance or network, i.e. that are not 'affiliated national NGOs' object to these interpretations. They argue that the international connection, under either of the above formulas, gives those agencies an 'unfair' advantage. There is not a level playing field. They want only truly '*homegrown*' entities recognised as 'national/local', and the beneficiary of more and better quality funding and real organisational development support.

6. How 'Local' Are You?

If the above is already enough to feed a prolonged debate, it gets further complicated by the different historical trajectories that lead an agency to being an 'affiliated national NGO'. There are essentially three main ones, one *outside-in* and two *inside-out*:

- *Outside-in*: Possibly for several years already, an international NGO has been running programmes in a country, probably already with a registered INGO office. This then transforms, or splits off, into a legally independent national member of an international family or alliance.
- *Inside-out*: An existing local or national agency accepts to change its historical identity and become part of the international alliance. That is a choice made previously by some INGOs, e.g. NOVIB which chose to become Oxfam Novib in the Netherlands. But is now also happening with existing 'southern' agencies. (A friend told me a story how, many years ago, Oxfam UK asked BRAC from Bangladesh whether it would not want

to become Oxfam Bangladesh? The BRAC person replied: Why wouldn't you want to become BRAC UK?)

- *Inside-out*: Several nationals, inspired by an international movement, directly create a new entity under the brand name and as part of an international alliance. The emergence of national MSF associations in various Western countries would be an example. And we can easily imagine for example a number of Sierra Leonean medical personnel directly create an 'MSF Sierra Leone'.

Certainly the second and third trajectory already signal some of the complexities: In both cases we have a 'homegrown' initiative that chose to become internationally affiliated, from the outset or after a while.

Then there is also the question of 'time' and its influence on perception: Many INGOs have had programmes in a country for many years, even decades. World Vision has been programming in Peru and Plan International in Nepal since 1978. Even if they are formally 'international', are they still locally perceived as 'outsiders'? Does their legal status now make them more 'foreign', comparatively speaking, than e.g. SCF Jordan which emerged out of the INGO country office only in 2012? Or take Caritas Bangladesh, which was founded as the eastern branch of Caritas Bangladesh already in 1967. Is it 'national' enough or not?

Perceptions of 'foreignness' are subjective. They can last long: In the late 90s José Bové led vigorous protests against McDonalds in France. It is now well established in France and popular among French nationals. But probably not many would call it a 'French' company. And it is still a competitor for eateries and restaurant chains whose 'national identity' cannot be contested.

7. Localisation and Bio-Diversity.

There is a third possible interpretation of 'localisation'. References are creeping into the discourse about the '*eco-system*' of international humanitarian action. 'Localisation' then can also be seen as a strong plea for greater '*bio-diversity*' within that system.

At the moment the funding and power are too concentrated in too few agency hands. More direct funding to nationally registered and staffed offices of international NGOs or to 'affiliated national NGO's might be strengthening capacities and leadership 'in country'. But it doesn't necessarily protect, and in its own way can undermine, national/local 'bio-diversity'.

In the natural world, the loss of bio-diversity is seen as detrimental to our global wellbeing. In the globalising political economy of the human species, we can see greater competition sometimes be the catalyst for innovation. But many problems result from the speed with which changes in the eco-system happen, with extinction the result of not enough time to adapt. If we adhere to this vision, then 'localisation' includes the active promotion of a diversity of 'homegrown' national and local organisations, with more direct funding consciously directed towards them.

8. Political Equivalents.

In political terms, these three possible interpretations equate with '*decentralisation*', '*federalism*' and not so much 'conservationism' as '*deep democracy*'.

Decentralisation and federalism work reasonably well in political systems which have evolved those architectures over a long period, almost all in Western countries. The track record of decentralisation and federalism in countries with different historical trajectories, such as in Africa, show however that very often the centre remains very powerful: local authorities (with constitutionally protected autonomy in a federal architecture or not) are often not

economically and politically strong enough and do not have the administrative capacities, to counterbalance the power of the centre. They also remain weak because of a failure to cooperate or because they are played off against each other in a 'divide and rule' game. After the African wave of decentralisation and federalism of the 1990's there has been a lot of '*re-centralisation*'.

'Localisation' of global humanitarian action, along the lines of decentralisation or federalism, can still lead to an outcome with a strong controlling centre. And there are powerful arguments for such, such as superior technical capacities and efficiencies from economies of scale.

'Localisation' as 'bio-diversity' should not be a radical 'anti-globalisation' movement: Syrians, Nepalis after the earthquake, and Sierra Leoneans faced with Ebola, needed global assistance. But this perspective understands the deeper political economy in the current *humanitarian world order*. It asks pertinent questions about why, after decades of programming and presence, there are perhaps many lives saved but often few local and national capacities sustainably built? (for some ideas about alternative approaches: <https://www.linkedin.com/pulse/relief-operations-local-possible-international-koenraad-van-brabant?trk=mp-reader-card>) So it wants to reduce the risk of operational, financial & psychological 'dependency', when local initiatives, capacities and creativity are, repeatedly, rolled over. It raises the question of the longer-term purpose of international cooperation, including in crisis response.

Different interpretations of 'localisation', different visions, different political outcomes. Let the debate begin.

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