

Aid localisation: current state of the debate and potential impacts of the Covid-19 crisis

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Could the debate about localising aid and actually putting it into practice undergo an unexpected resurgence due to the global health crisis? Either way, the Covid-19 crisis is an opportunity to review this idea, as the two authors of this article did just before the outbreak of the current pandemic.

In recent years, the concept of “localisation” has become increasingly prominent in debates about international aid. This term broadly refers to a commitment to consider and provide emergency and development aid through “grassroots” organisations. It aims to provide “closer aid”, aid “without intermediaries”.

In 2019, we carried out a study with Coordination Sud’s ONGLab which was designed to reframe the terms of this debate and to “test” localisation through the practices on the ground¹. In particular, we wanted to see whether there were any major discrepancies between the theory of aid localisation and how it works in practice. As part of this study, we spoke to various local and international Non-Governmental Organisations (NGOs) in France, Burkina Faso and Bangladesh.

The recent Covid-19 crisis will inevitably have an impact on localisation, although it is not yet possible to say how significant these impacts will be or what form they will take. In the short term, the crisis has already had some obvious consequences:

- firstly, many NGO workers, both locals and expatriates, have been withdrawn from the intervention countries and have had to work remotely. This has placed local organisations in the front line to a greater extent than before. It has also meant that international NGOs (INGOs) have had to improve infrastructures and working practices to allow their employees to work remotely;
- secondly, the global Covid-19 crisis has provided the space to focus on prevention and preparedness for other humanitarian catastrophes. This has allowed them to recognise the strengths of local organisations with the necessary proximity to communities.

¹ Jean-Martial Bonis-Charanclé et Martin Vielajus, *La localisation de l'aide ; plus de proximité permet-il d'assurer l'autonomie des projets déployés ?*, 2019, <https://www.coordinationsud.org/wp-content/uploads/synthese-etude-localisation-aide.pdf>

In fact, local organisations have never seemed so essential, but over the longer term, it is unclear how current localisation scenarios will develop. At the time of writing, we can only hypothesise as to how aid localisation will be affected by the Covid-19 crisis. Will it accelerate as local actors come to the fore? Or will the partnerships between north and south be weakened due to a lack of funding?

In order to clarify this discussion, we would like to focus on two key questions. Firstly, what factors have encouraged (or discouraged) international aid organisations from participating in localisation so far? Secondly, until this pandemic struck, what did “localisation” involve and what observations could be made as to the real progress of such a dynamic? We can then think about how this debate should be approached, in a new context which will undoubtedly transform thinking around localisation.

Why localise aid?

Two different lines of reasoning have been advanced for localising aid, each presenting a distinct vision of what localisation is and justification for why it is necessary.

On the one hand, localisation can be seen as a way to redress power imbalances, as a means to recalibrate relationships between international and local actors in the organisation of aid. This commitment to empower local actors is reflected through greater control of financial resources and increased power in decision-making. Proponents of this approach frequently note the existence of an oligopoly of aid organisations with similar operational structures, and instead advocate “de-westernising aid”. On the other hand, localisation is considered as a pragmatic measure that minimises the “transaction costs” of aid. It is conceived of as a way of making aid more efficient by bypassing intermediary brokers, particularly international NGOs with expensive transaction costs. In this case, localisation is justified primarily through a cost/benefit analysis of aid distribution.

These two perspectives coexist and broadly overlap in debates about localisation, although each is based on distinct lines of reasoning and require very different forms of implementation. Conversely, a number of limits to localisation have been put forward, particularly by INGOs. Here, we have highlighted three key criticisms:

- it promotes an overly binary vision of international solidarity, based on a division between “Northern” and “Southern” NGOs. This ignores the diverse forms of organisation that exist in reality. It does not take into account NGOs’ internationalised teams and governance structures, the development of international networks or the existence of decentralised decision-making structures;
- the drive for localisation threatens to encourage a parochial mentality which could undermine cooperation between civil societies and deprive local actors of the international expertise of INGOs;
- funders seeking to support ambitious projects may be sceptical about local organisations’ capacities to carry out these projects alone. Due to a desire for quality control, project backers often prefer to work with INGOs, seen as guarantors of a project’s success.

In reality, aid localisation is not a uniform phenomenon that occurs in the same way regardless of location or the project or organisations involved. Our study indicated that localisation varies greatly depending on a number of factors, including most importantly:

- the state of local civil society organisations: how capable, well-structured and independent are they?
- the local political context: how open is the region to international aid and foreign NGOs? How open is local civil society?
- the nature of the project: what is the project's timeframe? What level of technical expertise does it require? What sort of funds are supporting it: local, national or international?
- the capacities of local partners: what operational, managerial and reporting abilities do they have?
- the type of INGO involved: what is its economic model? Does it have substantial funds of its own or does it rely on project-based funding from other institutions? What kinds of projects and partnerships does it specialise in?

What were the observations about the progress of localisation projects?

We evaluated aid localisation by looking at a number of sample projects, first trying to establish exactly what each project sought to localise. The expression "aid localisation" is often understood to mean making funding directly accessible to local organisations and institutions. However, in all the debates about localisation, this definition is quickly deemed too narrow to be helpful. Think tanks, NGOs and other organisations involved in the debate have frequently tried to specify the different aspects of localisation that must be taken into consideration². We suggest three different aspects of this localisation that should be considered when evaluating their respective progress.

Is the project localised?

Projects are often characterised by a division between a significant level of localised on-the-ground intervention carried out directly by local actors on the one hand, and still fairly low levels of non-localised funding and strategic management of the project on the other. This discrepancy can cause frustration among local partners, particularly those with strong operational capacities and managerial structures. Local actors may feel they have been reduced to the role of providers and denied the opportunity to bring valuable input to strategic management decisions.

Does the localised project build the capacities and increase the visibility of local actors?

The extent to which a project builds the capacity of local partners is still highly dependent on the INGO's intervention strategy. Consequently, for certain projects capacity building is limited to consolidating the technical expertise necessary for the given project. These kinds

² In particular the Overseas Development Institute (ODI), Network for Empowered Aid Response (NEAR), Groupe URD, Shifting the Power Project and International Council of Voluntary Agencies (ICVA).

of projects do not progressively increase the organisational capacities of local partners or enable them to work autonomously. Local actors are increasingly calling for greater structural development resources like administrative funds and non-earmarked funds, and greater levels of visibility.

Is demand localised?

This aspect of localisation refers to the need to ensure greater local participation in project development, also known as the “joint construction” of aid interventions. Efforts to ensure local participation have encountered two major obstacles. Firstly, local NGOs may be overwhelmed by external demands for them to focus energy on certain kinds of interventions. Secondly, these efforts can result in a never-ending quest to work ever more “locally”, based on the idea that localisation has not been successfully achieved until the aid provider has a direct relationship with the recipient. To encourage the development of “demand-based” localisation while accounting for these two risks, we need to start by considering how demand for aid is expressed locally, and then evaluate the national or international organisations that respond to this demand.

Localisation in small steps

According to our observations, local and international organisations are aware that they need each other and generally see the strategic interest of mutual partnerships. Nonetheless, there have been growing calls for localisation in a number of countries. These demands for localisation have become particularly virulent in places with a strong civil society and a large number of active external organisations.

Although our fieldwork did not reveal any cases of open conflict around this issue, it did identify considerable discrepancies between INGOs’ and local partners’ perceptions of the extent to which localisation had taken place. Many INGOs claimed to have taken major steps towards localising their aid efforts, by rethinking their choices of partners and adjusting their international organisational structures. On the other hand, while local partners often acknowledge that there have been some positive changes in terms of practices or organisation, they complain that general power balances have not shifted and responsibility for strategic decision-making is still shared unequally.

On the ground, we noted that many aspects of localisation seem to have stalled. Project funders, INGOs and local organisations blame each other for these blockages, each claiming that others are at the root of the problems that have hampered localisation. A way needs to be found out of this impasse.

New avenues to explore

It is essential that the question of localisation is no longer considered exclusively from a financial angle. Instead, we need to start thinking more broadly about what should be

“localised”. A proper debate on localising aid should consider how capacities to deliver projects and the demand for projects can be localised, as well as the projects themselves. Each of these elements is essential for a successful dynamic of localisation. Without any one of these three elements, localisation cannot be carried out successfully. We therefore need a comprehensive debate about localisation, based around a shared vision of an “ecosystem of localisation”. Moving away from a solely project-based approach requires, among other things, rethinking funders’ financial support mechanisms. In order to achieve comprehensive localisation, we need to explore how to develop non-project-based finance and support tools that are focused on building the capacities and increasing the visibility of local partners. Such tools should facilitate project development that answers to local demands and encourage projects carried out through equal partnerships of actors from the North and the South.

We also need to think about what form the INGOs’ involvement should take. Localisation challenges the fundamental operational structure of INGOs, which is based on having exclusive control in three areas: access to funding, technical expertise, and visibility and influence. Localising aid means INGOs must move from a paradigm of organisational control to one of equal partnership and collective action. This could involve the following steps:

- instead of monopolising funding access, INGOs will have to view projects as joint ventures and be willing to co-sign funding contracts with other organisations and share management risks;
- instead of having all the technical expertise, INGOs will have to coordinate multiple partners with different capacities. This will involve developing systems documenting different actors’ competencies and allowing them to cooperate productively;
- instead of being the only actors with institutional visibility and influence, INGOs will have to develop international networks that give other partners visibility. This will ensure exposure is shared and tasks are apportioned more fairly, on both a local and an international level.

The localisation of “demand” is undoubtedly the most disruptive aspect to INGOs’ current modus operandi. If fully implemented, it could fundamentally transform how they work, requiring INGOs to compete to be selected for projects by local organisations rather than aid financing institutions.

What longer-term impacts will the Covid-19 pandemic have on localisation?

The Covid-19 crisis has accelerated a number of trends that were already evident in recent years. Certain changes that we initially thought would take effect by 2030 in terms of funding, allocation of responsibilities and project selection could instead become widespread within just a few months. Procedures that seemed impossible to modify have been changed in a couple of days, including those governing payments and reporting. Vast quantities of funds have been rapidly redirected. Local partners have naturally been perceived as being at the “frontline” of the response to the crisis, particularly through their

preventative actions and distribution of humanitarian aid while international partners have supported them remotely.

Once the critical phase of the current crisis has passed, it is essential that we do not turn back the clock. Instead, we should take advantage of the new dynamics and actors that have emerged from the crisis. This means thinking about new local solidarity initiatives and people in local communities who have developed new organisational capacities. The challenge will be to identify and support those local initiatives, in order to help communities develop long-term resilience to crises.

We will need to study all the new working practices and procedures that have been developed to support local partners during the current crisis, including reduced international travel and increased remote support. Analysing these practices will allow us to identify the strengths that have been developed to cope with the “new normal” which can be used to accelerate processes of localisation.

We need to prioritise equal partnerships. These partnerships could include, for example, the coordinated, national, multi-sector efforts implemented by multi-stakeholder coalitions that have been developed to respond to the Covid-19 crisis in both the north and south. INGOs have a role to play in these responses, whether by directly contributing to them, managing and coordinating them, or connecting them to international strategies. One of the strengths of many INGOs today is their capacity to coordinate and manage multiple actors. By positioning themselves as neutral, trusted third parties, INGOs can encourage local actors to innovate and share experiences with each other. In terms of influence, we also need to look for and increase equal partnerships between north and south.

The current situation has made one potential vision of localisation a reality. This kind of localisation is not parochial, but instead acknowledges the global nature of crises. It recognises the interdependence of local and international organisations in the response to these crises. At the same time, the current crisis presents the risk that localisation will only be seen as an “exceptional” or “temporary” solution, rather than something with the potential to redress the power imbalances inherent in a large number of aid partnerships. If this perspective becomes widespread, it will leave local actors in an even weaker position.

INGOs can help to answer the questions raised by the current localisation debate. Local organisations want to transform their relationships with INGOs, not to sever ties with them. This observation should be used as a starting point to imagine new ways of demonstrating solidarity and working to the benefit of others, including rethinking relationships with funding institutions and developing new and more equal north-south partnerships. The crisis we are currently experiencing provides us with the opportunity to do just that.

Translated from the French by Michael Angland

Biographies

Martin Vielajus • An independent consultant who specialised in providing analysis and strategic assistance for development projects and programmes. Martin teaches at Sciences Po's School of International Affairs and Paris-Descartes University. He is also the co-author of two publications (*L'intelligence interculturelle* - ECLM 2014, *Le Culturoscope* - ECLM 2016) and has coordinated several other collective publications and journal editions. Assistant director of the *Institut de Recherche et Débat sur la Gouvernance* (IRG) until 2011, he subsequently joined the consultancy Synergence before starting a practice as an independent consultant in 2015. He co-founded the think tank Kayros with Jean-Martial Bonis-Charancle in 2017.

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Since 2017, Martin Vielajus and Jean-Martial Bonis-Charancle have been jointly involved in imagining "international solidarity in 2030" through their Kayros initiative (<https://www.kayrosnetwork.org>). Working with various partners including NGOs, foundations, development agencies and local authorities, they carry out monitoring work and studies and provide strategic assistance. Their recent study on the aid localisation, commissioned by Coordination Sud, provided the data that forms the basis for this article: <https://www.coordinationsud.org/wp-content/uploads/synthese-etude-localisation-aide.pdf>

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