

Catalogue of quality funding practices to the humanitarian response

A reference tool for policymakers and practitioners to enhance the efficiency and effectiveness of programming

2nd Edition



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The Norwegian Refugee Council (NRC) is an independent, international, humanitarian non-governmental organisation (NGO) that provides assistance and protection to durable solutions for refugees and internally displaced people worldwide.



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Acronyms

AA –Anticipatory Action

ACF – Action Centre La Faim (Action Against Hunger)

ACTED - Agency for Technical Cooperation and Development

AECID – Spanish Agency for International Development Cooperation

BHA – Bureau of Humanitarian Assistance (US)

CBF – Capacity Building Fund

CBPF – Country Based Pooled Fund

CERF - Central Emergency Response Fund (UN)

CORE – Community Resilience Fund (Nepal)

CRCG – Consultative Group on Risk Management Fund

DG ECHO/ ECHO – European Civil Protection and Humanitarian Aid Operations (EU)

DI – Development Initiatives

DRA – Dutch Relief Reliance

ERC – Emergency Relief Coordinator (UN)

EWS – Early Warning System

FAO – Food and Agriculture Organisation (UN)

FCDO – Foreign, Commonwealth & Development Office (UK)

GAC – Global Affairs Canada

GHTF - Global Humanitarian Thematic Fund (UNICEF)

HOIFA – The Humanitarian Operation and Innovation Facility

HRP – Humanitarian Response Plan

HTF – Humanitarian Action Thematic Fund

ICR – Indirect cost recovery

ICRC – International Committee of the Red Cross

IFRC – International Federation of the Red Cross and Red Crescent Societies

IOM – International Organization for Migration (UN, also known as UN Migration)

IRC – International Rescue Committee

NEAR – Network for Empowered Aid Response

NMFA – Norwegian Ministry of Foreign Affairs

NRC – Norwegian Refugee Council
NSIA – National Society Investment Alliance
OB – Organising Body
PBA – Programme Based Approach
PSNP – Productive Safety Net Programme
RAIC – Refugee and Asylum Seekers Information Centre (Indonesia)
RCRC – Red Cross Red Crescent
RFSA – Resilience Food Security Activities
RLO – Refugee Led Organisation
RRF – Rapid Response Fund
RRLI – Resourcing Refugee Leadership Initiative
SFERA Special Fund for Emergency and Rehabilitation Activities (FAO)
Sida – Swedish International Development Cooperation Agency
SOMJR – Somalia Joint Response, in connection with DRA
StARS – St Andrew’s Refugee Service
USAID – United States Agency for International Development
UNFPA – United Nation’s Fund for Population Activities (also known as United Nation’s Population Fund)
UNHCR – United National High Commission for Refugees (also known as The UN Refugee Agency)
UNICEF – United Nations International Children’s Emergency Fund
UN OCHA – United Nations Officer for the Coordination of Humanitarian Affairs
YARID – Young African Refugees for Integral Development

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Introduction

Background and purpose

Discussions during the September 2019 ‘Progress Acceleration Workshop – Enhanced Quality Funding through Reduced Earmarking, Multi-year Planning and Multi-year Funding’ highlighted the need to collate and share evidence on the ways in which donors and recipients provide and use funding to better meet humanitarian needs.¹

This catalogue on quality funding practices was first published in July 2020. It presented a range of funding mechanisms identified by donors and recipients as providing ‘quality funding’ for humanitarian response. During their annual meeting in 2023, Grand Bargain signatories reaffirmed their commitment to increasing quality humanitarian funding until 2026² and requested an update to the catalogue.

This updated version continues to fill the original evidence gap, and includes progress made on new initiatives and actions, such as locally- and NGO-led initiatives. The focus on humanitarian funding mechanisms remains, though individual examples might support a broader crisis response across the humanitarian and development nexus.

The aim of this report is to provide a reference tool for policymakers and practitioners, both Grand Bargain signatories and non-signatories, with examples of the manner in which funding is and could be provided to enhance the efficiency and effectiveness of programming. It is not intended as an exhaustive survey of quality funding practices but as an indicative summary of approaches to quality funding that can be added to.

Properties of quality funding

For the purposes of this report, Development Initiatives (DI) and the Norwegian Refugee Council (NRC) did not attempt to conceive a formal, technical definition of ‘quality funding’. Rather, we sought to collate examples of funding mechanisms or arrangements that were perceived by donors and recipients to enhance the efficiency and effectiveness of responses and in so doing to identify the properties cited as contributing to the quality of this funding.

These properties included but were not limited to the funding duration and level of earmarking. Commonly cited properties that are referenced as contributing to the ‘quality’ of funding include:

- Funding duration: Captures the timeframe of the funding received and/or disbursed by a funding mechanism. Used to assess whether associated

funding can be considered as multi-year, that is with a duration of 24 months or more based on the start and end dates of the original funding agreement.³

- Earmarking: The degree of earmarking of funding received and/or disbursed by a funding mechanism. Earmarking can occur at different levels geographically and thematically. A summary of different types of earmarking is set out in the annex to the Grand Bargain document.⁴
- Flexibility to adapt: Relevant to funding with any degree of earmarking, this captures the ease and speed with which implementers can move funding between budget lines, geographical borders or years. Key informant interviews have identified this as an important property to enable flexibility of funding despite relatively tight levels of earmarking.
- Reporting requirements: This refers to the frequency and extent of reporting on funding received or disbursed by the funding mechanism. Although the Grand Bargain workstream to ‘Harmonise and simplify reporting requirements’ focuses on this issue, humanitarian actors in this and past research frequently identified reporting as another dimension of quality for their funding.
- Manner and timeliness of disbursement: This captures the timing of disbursements in the funding process to assess how quickly funding was disbursed after signing an agreement, in which intervals, at what stage of the funding cycle and whether it was disbursed up front or in arrears. Where information is available, it includes an indicative range of funding volume associated with a funding mechanism.
- Accessibility: This includes a description of which implementing organisations were able to access the funding, in terms of their type (NGO (non-governmental organisation), UN, Red Cross, local and national actors) or size.
- Locally led: This captures whether local or national actors were easily able to access funding and had the decision autonomy on how to use it.
- Other funding conditions: This aspect captures other conditions on funding from or to the listed mechanisms that are not captured by the properties listed above, for instance restrictions on passing on funding or targets to be reached for a portion of the funding to be released.

Information on the properties outlined above is included for each funding mechanism only where available, and not all properties are relevant to all catalogue entries or best practice examples.

In recognition that the purpose of quality funding mechanisms ultimately is an improved humanitarian response with better outcomes for affected populations, we also requested information on cost-efficiency and effectiveness associated with the listed catalogue entries. It should be noted that this catalogue is largely descriptive and not evaluative, although we attempted to provide a balanced view of both challenges and benefits for each funding mechanism. The advantages, challenges and lessons described are based on user experiences drawn from written feedback and interviews. We referenced published evidence on and evaluations of quality funding mechanisms, where available, to substantiate this feedback. A selection of

publicly accessible in-depth evaluations and further literature on the included entries is included in Annex 1.

Process of data collection

DI and NRC identified the funding mechanisms and arrangements that are included in this catalogue through a series of consultations with the co-conveners of the Grand Bargain Enhanced Quality Funding Workstream and an advisory group established to guide the research. In addition, we also reviewed existing literature on multi-year and unearmarked funding to identify other examples for inclusion in the catalogue. Where funding mechanisms were identified, DI and NRC conducted interviews and remote data collection and verification with the donors and agencies involved in the funding arrangement. Wherever possible we sought to reconcile the perceptions of both the donor and recipient of the funding and reflect their views of the advantages and disadvantages of the mechanism or arrangement.

Format and content of the catalogue

The catalogue includes 11 types of funding mechanism or arrangement, as well as best practice examples. Each catalogue entry includes:

- a description of the mechanism or arrangement;
- a description of how it operates;
- key features (earmarking, flexibility, conditions, reporting);
- advantages and disadvantages; and
- where identifiable, lessons from users of the instrument.

The catalogue includes the following funding mechanisms and arrangements:

- Multi-year core support to UN organisations
- Strategic NGO partnerships
- Multi-year unearmarked funding to an NGO alliance
- Funding earmarked to a refugee situation or a region
- Multi-year funding at country level
- UN internal pooled funding mechanisms
- Resilience Food Security Activities – Ethiopia
- Rapid response funding mechanisms for NGO action
- Locally led humanitarian funds
- Localised NGO Consortia
- NGO led finance mechanism

It also includes the following case studies:

- Start Network's Global Start Fund
- UN OCHA's Country Based Pooled Funds
- CERF's support for Anticipatory Action
- The Red Cross Red Crescent National Societies Development Funds Ecosystem

- Spain's Framework Agreements for Emergency Assistance and Humanitarian Action windows in NGO Framework Agreements
- UNFPA's Humanitarian Thematic Fund
- Programme Based Approach
- Programmatic Partnership
- Concertación Regional para la Gestión de Riesgos (Consultative Group on Risk Management, CRGC)
- The NEAR Change Fund
- The Human Mobility Hub

Figure 1: Funding sources, mechanisms and recipients

Source	Mechanism	Funding Destination	Recipient (single or multiple)			
			LNNGO	INGO	RCRC	UN Agency
Single or Multiple donor	As named	Country, Regional or Global				
Multiple	Multi-year core support to UN organisations	Country, Regional				Multiple
Single	Strategic NGO partnerships	Country, Regional		Single	Single	
Single	Multi-year, unearmarked funding to NGO alliance	Global		Multiple		
Single	Funding earmarked to a refugee situation or a region	Country, Regional			Single	Single
Single	Multi-year funding at country level	Country	Multiple	Multiple	Multiple	Multiple
Multiple	UN internal pooled funds	Global				Single
Single	Resilient Food Security Activities	Country	Multiple	Multiple		
Single	Rapid response funding mechanism	Country	Multiple	Multiple		
Multiple	Locally led humanitarian funds	Country, Global	Multiple			
Multiple	Localised NGO Consortia	Country, Region	Multiple	Multiple	Multiple	
Multiple	NGO-led crisis response funds	Country, Region	Multiple	Multiple		

Table 1. Funding sources, mechanisms and recipients

Quality funding practice examples

1. Multi-year core support to UN organisations

What is it?

Core funding (also known as regular resources) consists of unearmarked contributions from public and private partners, given without restriction, allowing aid organisations to fulfil their mandates, across humanitarian and development programming if applicable. Core funding can be provided on an annual or multi-year basis.

In this catalogue entry, the focus is on multi-year contribution agreements between donors and UN organisations for global humanitarian activities.⁵

Examples collected included the Swedish, Canadian and Belgian governments' core multi-year humanitarian funding to UN agencies.

How does it operate?

Funding is agreed for a multi-year period and is typically disbursed in agreed amounts annually. The volumes of the humanitarian funding agreements that the Swedish Ministry for Foreign Affairs has with UN agencies range between SEK 760 million (US\$75.14 million) and SEK 3.73 billion (US\$368.79 million) across four years, while Belgium's humanitarian multi-year funding agreements amount to €129.75 million (US\$136.63 million) over three years. Of this funding from Belgium, €92.9 million (\$97.83 million) is for UN organisations. Canada's core multi-year support to UN agencies ranges from CA\$6.0 million (US\$4.61 million) over three years to CA\$100 million (US\$76.83 million) over four years.

Features (earmarking, flexibility, conditions, reporting)

- Core funding is fully flexible against the mandate of the recipient UN agencies. Allocations of core resources are made based on a set of pre-defined criteria and as agreed with the Executive Board, which is composed of member states.
- There are relatively few conditions on the funding, but it may require that:
 - Financial reporting and annual reports are submitted before the next year's funding is released.

- Any unspent balances remaining after completing commitments can be reallocated to subsequent operations within the UN agency.
- Government donors may rely on the UN agencies' own reporting, monitoring and evaluation systems, although the donor may request further information if required.
- Alongside core funding, there can in addition be a smaller amount of softly earmarked funding as part of the same funding agreement, e.g. for a particular region or for response to emerging crises. Although it comes under the same funding agreement, this funding is not considered as core funding due to its additional earmarking.

Advantages

- For recipients, this funding provides a range of well-traversed benefits, including predictable, sustained funding over a longer period. It enables longer-term planning for both recipients and donors.
- Recipients can use this funding strategically across their respective mandates to ensure maximum impact with donor funds, scale up sustainable solutions, invest in innovative approaches and adapt to changing situations in emergencies.
- Core funding can also be used as bridge funding for programmes without sufficient bilateral funding, as it is easily repurposed once additional bilateral funding comes through.
- Disbursement of the funding during the first fiscal quarter further increases its usability for UN agencies as it can then be used from the beginning of the year.
- For donors, this funding can help their progress towards meeting the Grand Bargain and other commitments. It can aid their reputation as a good donor and improve relationships with recipients.
- For both donors and recipients, multi-year funding can also mean reduced ongoing administration, although there can be more intensive effort required when the agreements expire or come up for renewal.
- Core donors enable recipient agencies to allocate resources to the most neglected and forgotten crisis and thus remove their own political decision making from the geographical allocation of their funding.

Disadvantages/challenges

- The quality of this funding does not always trickle down. While funding provided from donors to UN bodies is multi-year and fully flexible, funding from the recipient UN bodies to their implementing partners⁶ may be in shorter-term cycles and tightly earmarked.
- Agreed amounts may not allow for inflation, which means the amounts received annually may decrease in real terms across the duration of the agreement.

- There can be a ceiling on funding, in that amounts given cannot exceed those agreed in the multi-year agreement.
- Due to its fully flexible nature and its ability to be repurposed swiftly where funding gaps arise, it can be challenging to report on the outcomes of core funding. While a donor can use evidence from additional UN reporting on the overall benefits of this type of funding to demonstrate to parliaments and taxpayers that it has delivered better assistance, core support can have less direct visibility than other funding vehicles. Implementing core support in multi-year agreements risks exacerbating these downsides.
- Core donors may require greater visibility of how or where their unearmarked funding to UN partners was allocated, for instance to be able to reference it during crisis- or country-specific pledging conferences. The challenge is that this can create tensions with the fully flexible nature of the provided funds.
- As funding is agreed for a multi-year period, a donor cannot suspend or withdraw funding during that time to respond to an action by the receiving institution that they do not agree with, for example, a change in policy direction or an instance of mismanagement.

Lessons from users of this instrument

- Donors and recipients are generally positive about multi-year arrangements, largely due to the significant benefits to recipient organisations. Multi-year agreements do generally require donors and recipients to have a strong partnership with a good level of trust and open communication.
- A key finding from a Belgian core funding policy evaluation is the need for UN partners to have dedicated human resources involved in proactive and effective engagement with core partners.

Box 1: In focus: Increasing the visibility of donor contributions – UNICEF’s Regular Resources

The Grand Bargain specifically calls for aid agencies to “increase the visibility of unearmarked and softly earmarked funding, thereby recognising the contribution made by donors”.⁷ The 2019 Grand Bargain Independent Report noted “sporadic reporting on and progress against” this commitment.⁸ Greater visibility of and transparency in the use of flexible and predictable funding has the potential to unlock increased volumes of such funding.

UNICEF’s Resource Mobilisation Strategy 2022–2025 introduced strengthened procedures and a new recognition and visibility approach for quality funding. These enable UNICEF to better recognise the funding it receives for regular resources (core funding) and to its thematic pooled funds.⁹ The organisation has committed to provide funding partners with regular results briefs, including real-time updates of impact, that they can share with their constituents via social media announcements, press releases and presentations to parliamentarians.

In addition, UNICEF has carried out the following activities to enhance donor visibility:

- Conducting a survey with core resource partners to understand satisfaction with levels of visibility of their funding
- Creating a social media monitoring tool covering 34 public sector resource partners to identify gaps in visibility and recognition
- Co-creating recognition and visibility plans with core resource partners (Sweden and Germany)
- Organising field trips for donors to witness the impact of their funding and communicate this to their constituencies.

► **Read more about this quality funding example:** [An evaluation of the Belgian core funding policy of multilateral organisations \(2021\)](#)

2. Strategic NGO partnerships

What are they?

Strategic multi-year partnership agreements between government donors and NGOs to deliver humanitarian activities.

Examples collected included the Danish government's strategic partnership with DanChurchAid, the Netherlands government's block grant to the Dutch Red Cross, and the Spanish government's two funding windows for NGO framework agreements for emergency assistance and the humanitarian assistance in protracted crises.

How do they operate?

The agreements operate over multiple years (all three examples collected were four-year agreements) and can be targeted at planned or ad hoc responses at a country, thematic or global level. Funding is typically disbursed annually – annual amounts in the examples collected ranged from €2.5 million to €15 million (US\$2.63–15.8 million).

NGOs may be required to advise or seek approval from the government donor before spending the funding on ad hoc responses, depending on the amount.

Features (earmarking, flexibility, conditions, reporting)

- Earmarking can range from none (allowing the NGO to allocate the funding as it sees fit globally) to light earmarking to a country or emergency response and humanitarian activities.
- There can be flexibility to move funding between types of responses, and even to bring forward funding from the next year. There may also be a percentage (e.g. 10%) of funding that can be shifted within budget lines without needing donor approval.
- There may be conditions:
 - on the types or targeting of activities that can be undertaken; and/or
 - requiring a report on the previous year's activities before the subsequent year's funding is released.
- There are typically light reporting requirements. Generally, an annual report is required (which can vary as to the required level of detail) and a final report at the conclusion of the funding may also be required.

Advantages

- Simplified processes around grant management, reporting and low levels of bureaucracy free organisational capacity within the recipient NGOs.
- Multi-year arrangements are very beneficial for recipient NGOs in particular. They allow long-term ambitions to be realised, as well as long-term thinking around addressing needs holistically. The timeframe also allows for planning and implementing a nexus approach.
- The partnerships can support localisation where funds are used to build the capacity of local partners and can support the NGO in establishing multi-year partnerships with local/national NGOs in humanitarian contexts.
- These partnerships can allow smaller government donors (e.g. Spain) to maximise the impact of their humanitarian funding by allowing them to work where the need is greatest, build the capacity of partners, and respond more effectively by working in multi-year cycles.

Disadvantages/challenges

- Can be administratively intense at the proposal/application stage.
- The standard of quality of proposals and reporting from NGOs can vary.

Lessons from users of these instruments

- These arrangements require a high level of trust between government donors and the receiving NGOs, and the continuous dialogue that these agreements foster provides for flexibility. A mutual understanding that effects will be long term is also required.
- DanChurchAid has transitioned into two-year agreements with its humanitarian partners. It has not yet extended agreements beyond this timeframe due to rapidly changing contexts.

- Focusing on small–medium-sized national or local NGOs could enhance the localisation impact of these partnerships. This would mean establishing equal partnerships over multiple years with local/national actors that are sustained in times of conflicts and emergencies.

► **Read more about this quality funding example:**

- [Administrative guidelines for Denmark’s strategic partnerships 2022–2025](#)
- [An evaluation of the humanitarian assistance provided by the Netherlands \(2023\)](#)

3. Multi-year, unearmarked funding to an NGO alliance

What is it?

Multi-year, unearmarked funding to an NGO alliance for global humanitarian activities. The example considered was the government of the Netherlands’ funding to the Dutch Relief Alliance, an alliance of 14 Dutch NGOs.

How does it operate?

The funding comprises a multi-year agreement with set annual disbursements to be allocated for broad areas of programming, which can be targeted at any humanitarian crisis. Areas of programming are defined by the NGO alliance, with reference to Humanitarian Response Plans (HRPs) and assessment of need. Members of the NGO alliance collaboratively agree on what projects should be funded within each of the broad areas of programming.

The Dutch Relief Alliance started in 2015 and is currently in its second block-grant of €370 million (\$389.63 million), covering 2022–2026. The funding covers three streams, with funding levels for these agreed with government of the Netherlands: protracted crises constitute around 80% of the annual budget; acute crises constitute around 20% of the annual budget; and there is €3 million (US\$3.16 million) for humanitarian innovation. Funds for protracted crisis responses (which run for at least two years) are disbursed annually. Funds for acute crises and for humanitarian innovation are disbursed through block allocations at the beginning of each year.

Features (earmarking, flexibility, conditions, reporting)

- Funding is softly earmarked for types of response but there are no restrictions on location or type of activity. For the Dutch Relief Alliance, funding is softly earmarked for protracted crises, acute crises and humanitarian innovation.

- The NGO alliance retains ownership of decision-making for projects and fund allocations.
- For the Dutch Relief Alliance, there is 25% flexibility within budget headings. Alliance members may also request advances on future annual allocations.
- The government of the Netherlands does not attach additional conditions to the grant but the Dutch Relief Alliance (DRA) itself is committed to provide quality funding based on equitable partnerships with its network of national partners. This translates into commitments that, firstly, that a minimum of 35% of the annual budget is used by national partners for implementation; secondly, that there will be systematic indirect cost recovery (ICR) sharing from 2024; and thirdly, that 5% of the budget is reserved for national partners' capacity strengthening. The DRA is also committed to provide national partners with multi-year contracts where possible.
- Crisis modifiers¹⁰ are included in all multi-year contracts to allow for fast and needs-based responses should the context change.
- For each protracted crisis response programme, an annual plan is required, with annual reporting using the 8+3 template. For acute crisis responses, a single annual report is required, covering all acute response programmes. Similarly, for innovation projects, a single annual report covering all projects is required.

Advantages

- For recipients, this arrangement provides a high level of flexibility and predictability of funding, with NGO Alliance members retaining ownership of decision-making for the identification of projects and allocation of funding within the agreement.
- DRA evaluation reports for 2022 shows that the flexibility of both the Alliance and the budgets it set was seen as a positive.¹¹ In some cases, this flexibility meant joint response could “change course where the needs were most precarious”, while in other cases, it allowed joint responses to “double the initial number of households served as a result of the 25% flexibility rule”. In instances of underspending, funds could be reallocated, especially to reduce the impact of Covid-19.
- The same analysis also showed that the crisis modifier was appreciated by local DRS partners in South Sudan and Somalia, enabling them to respond quickly to emerging acute needs.¹²
- For donors, this funding arrangement allows for longer-term planning and a relatively low administrative burden.
- For donors, this funding can help their progress towards meeting the Grand Bargain and other commitments.
- For donors and recipients, this funding arrangement enables a close partnership between funder and recipient, as well as between recipients.

Disadvantages/challenges

- Working with an NGO alliance with a number of members with different structures, procedures and levels of funding can mean that reaching consensus for decision-making can take time. This means making changes or adaptations necessary to implement the alliance's strategy can be slower than in individual organisations.

Lessons from users of this instrument

Multi-year agreements generally require donors and recipients to have a strong partnership with a good level of trust and communication, and this takes time to develop.

► **Read more about this quality funding example:**

- [Web page of the Dutch Relief Alliance](#)
- [External evaluation of Dutch Relief Alliance \(2022\)](#)

4. Funding earmarked to a refugee situation or a region

What is it?

Funding provided to strategic partners to respond flexibly at the regional or refugee 'situation'-level (i.e., refugee country of origin and host countries). Funding is softly earmarked to a specific refugee situation and corresponding appeal, or to a geographic region.

Examples considered included the German government's funding to UNHCR for responses to refugee situations (encompassing country of origin and refugee hosting countries) or to geographic regions of UNHCR operations. We also considered funding provided through Canada's Middle East Engagement Strategy to respond to crises in Iraq and Syria and to address the impacts or crisis in Lebanon and Jordan.

How does it operate?

The agreements provide funding softly earmarked to a refugee situation or to a geographic region of operations. Strategic UN and Red Cross / Red Crescent partners are able to determine where this funding is allocated within their existing response strategies and plans. These implementing partners can re-prioritise as situations and funding situations change, allowing the flexibility to re-allocate funding to emerging needs without seeking formal agreement from the donor. In specific cases, the agreements operate over multiple years. Of the two examples reviewed, Canada provided US\$89 million over 2019–2021 in regional (softly earmarked) multi-year commitments, disbursed in annual tranches, to protracted crises in Iraq and Syria

and to address the needs in Lebanon and Jordan. Of Germany's total funding to UNHCR in 2023, around 80% (US\$351 million) was softly earmarked for either refugee situations or UNHCR regions of operation.¹³

Features (earmarking, flexibility, conditions, reporting)

- Funding is softly earmarked to a refugee situation or geographic region of operation, giving partners the flexibility to determine where funding is allocated by country.
- Implementing partners retain the flexibility to re-allocate funding within the situational/regional response without seeking formal approval from the donor, although there may be an expectation that the donor is kept informed of significant changes.
- Additional conditionalities were not required by Canada or Germany.
- Annual reporting was required, though varied in level of detail. Financial reports are required from both partners, and Canada typically also requires the organisation's annual narrative report. For narrative reporting, Germany relies on reporting provided through UNHCR's Global Focus online system, which includes information on objectives, operations and outputs for each refugee situation.
- Recently, Germany has also been asking for a report on the final allocations of its flexible funding.

Advantages

- For donors, arrangements provide a reduced administrative burden as changes to location, project or activities do not require time-consuming negotiation or paperwork. This is perceived by donors as a benefit for recipients too.
- Enables recipients to use flexible funds where they are most needed, to be agile and respond quickly to changing needs on the ground.
- Recipients have reported that where multi-year arrangements are in place, these enable planning in the longer term, can help to establish greater stability and continuity in project management and can support the development of deeper relationships with key stakeholders, including the people in need of support.
- Reports from recipients indicate that these multi-year funding arrangements can also support monitoring and learning, at both programme and individual staff level, with the flexibility of funding allowing for changes to programming based on this learning.

Disadvantages/challenges

- For implementing organisations with regional multi-year funding as a relatively small proportion of overall funding received for the response, it is

challenging to implement multi-year programmes given that the majority of other funding received is short term.

- Some donors, including Germany, require information on what their funding achieved as part of the response. Attribution can be challenging where flexible funds have been combined with other income streams.
- One donor also reported that more specific evidence is required on how the flexible and multi-year nature of funding provided to the response improves outcomes for affected populations, so maintaining or scaling up funding provided in this way can be justified.

Lessons from users of these instruments

- These arrangements are founded on well-established relationships between donor and recipient, which take time to develop.
- Trust between donor and recipient is key. Transparency and open communication was highlighted as being the foundation for this, with transparency noted as particularly important with regard to issues of integrity.
- Illustrating how funds have been spent is important; however, this should not result in excessive reporting or compliance requirements.

5. Multi-year funding at country level

What is it?

This funding instrument provides multi-year funding at the country level through one of the following:

- Bilateral agreements between donors and NGO, UN or Red Cross/Red Crescent partners for their operations in a specific country over multiple years.
- Provision by a donor to an implementing partner of a multi-year budget for the delivery of a specific set of outcomes in a crisis country.

Examples of this include:

- The UK's Foreign, Commonwealth & Development Office's (FCDO) multi-year business cases in the majority of countries of operation,
- USAID/Bureau of Humanitarian Assistance's (BHA's) multi-year emergency assistance to NGOs in Ethiopia, Mali and Niger,
- Australia's continued multi-year funding to UNFPA's crisis response in Bangladesh, and
- Global Affairs Canada's (GAC's) multi-year funding to multilateral partners, and increasingly NGO partners.

How does it operate?

The bilateral agreements of multi-year funding at the country level are negotiated between the donor government and the respective implementing partner. The total funding amount for the multi-year period is usually agreed at the outset, though annual amount can be subject to revision following end-of-year reviews. Disbursement schedules vary by donor and can be quarterly, biannually or annually.

The FCDO has been a longstanding implementer of multi-year programmes and prioritises multi-year agreements with its partners wherever possible. Previously, multi-year programmes in crisis countries included funding a set of implementing partners to deliver a proposed set of specific outcomes within a multi-year budget, with timeframes matching the budget period. If a follow-up multi-year budget was authorised for the programme, there was flexibility in extending individual agreements for up to a year beyond the budgetary period.

In recent years, due to fluctuations to the UK aid budget, a larger number of multi-year partner agreements have included annual budgets within humanitarian programmes, meaning fewer multi-year funding commitments. FCDO remains committed to providing quality multi-year funding to its implementing partners and is working to return to a practice of multi-year agreements and funding. FCDO is also developing a strategy on local leadership that will consider how to ensure quality of funding is passed on by intermediaries to their downstream partners.

Timeframes for both forms of multi-year support at the country level range from two to five years. Due to usually large volumes of multi-year funding being provided, this funding mechanism is more accessible to large, well-established international humanitarian responders. For NGOs, it is similarly more likely to be provided to consortia than to individual organisations.

Features (earmarking, flexibility, conditions, reporting)

- Earmarking of bilateral multi-year funding is by design at the country level, but can also occur in addition for humanitarian purposes, or to certain thematic or sectoral areas (e.g. gender-based violence or food security). For grant agreements as part of multi-year country programmes, funding is earmarked to a detailed set of results specified in a logframe.
- There is no standardised reporting process for this funding mechanism; it varies by relationship between donor and recipient organisation. For multi-year contributions that are only softly earmarked to an implementer's country operations, annual reporting on overall activities in-country tends to suffice.
- The flexibility of multi-year contributions to the country level varies, with additional levels of earmarking – if otherwise unearmarked or only for humanitarian purposes, they are fully flexible to use within the implementers' humanitarian country response.
- For more tightly earmarked contributions, regular review processes and open channels of communication allow for changes to be made if necessary

and justified, requiring exchanges between donor and implementer. This enables flexibility for partners in adapting programmes quickly to respond to crisis shocks without the need for a formal process, as long as the intended outcomes of the programme remain the same. Changes to any outcome-level results need to be formally agreed. This allows donors' technical experts to guide programming towards desired outcomes on, for instance, resilience, localisation or accountability to affected populations. Some implementers however note that close, ongoing oversight at the technical level incurs a heavier reporting burden.

Advantages

- For multi-year programmes, having funding in place for a longer period enables the donor office to flex emergency response components if the crisis context changes while continuing to strengthen national systems for the delivery of essential services and social protection. There are no delays in applying for emergency allocations from the donor headquarters, given that funding for the country level is authorised in advance for multiple years.
- If multi-year funding at the country level is actively managed to support multi-year activities, it can lead to efficiency gains, for example through bulk procurement of supplies and reduced administrative costs for grant management.
- Multi-year funding at the country level when directly supporting multi-year activities provides staffing stability, continuity of services and greater trust in communities. If appropriate, it also enables multi-phase planning to work towards an exit strategy.
- Multi-year funding has the potential to foster both collaborative partnerships between funders and L/NGOs, including women-led organisations, and shared commitments to achieving common goals.

Disadvantages/Challenges

- Some donors are hesitant to commit too much of their humanitarian funding for multiple years in advance and prefer to reserve funding for unforeseen spikes in humanitarian need. This can be mitigated by building into multi-year grant agreements the ability to adapt programming or by including contingency funds.
- If multi-year funding makes up only a small proportion of implementers' country operations, it is more difficult to translate it into longer-term planning and programming with the associated efficiency and effectiveness gains.
- Even with a multi-year timeframe, users highlight the need to be realistic about what humanitarian funding can achieve over a few years, as addressing structural deprivation requires a much longer time and broader resource base.

Lessons from users of these instruments

- Not all contexts are suitable for multi-year funding at the country level. Users identified this mechanism as most appropriate for protracted crises.
- Canada continues to encourage its partners to channel funding to local and national responders, and to include local actors in decisions related to the design, implementation and monitoring of projects. For example, GAC's International Humanitarian Assistance NGO Funding Guidelines¹⁴ were revised in 2021 to add a dedicated budget line for local partners' overhead costs (up to 7.5% of direct project costs). Although no evaluation or monitoring reports have been completed specifically on this change, internal reviews suggest there continues to be strong support from GAC's partners to maintain the overhead budget line for local partners.

► **Read more about this quality funding example:** [External thematic evaluation of multi-year humanitarian funding provided by the UK government \(2019\)](#)

6. UN internal pooled funding mechanisms

What are they?

Pooled funds internal to specific UN agencies, channelling unearmarked or softly earmarked funds received at the global level to different crisis responses based on humanitarian need. Examples considered were UNFPA's Humanitarian Thematic Fund (HTF) for 'Reproductive Health, Safety, and Dignity in Crises', FAO's Special Fund for Emergency and Rehabilitation Activities (SFERA), and UNICEF's Global Humanitarian Thematic Funding (GHTF).

How do they operate?

Pooled funding allows UN agencies to deliver rapid and strategic responses to humanitarian need and provide assistance when humanitarian responses are underfunded. The flexibility and low earmarking allow UN agencies to act quickly and make allocations to country offices or partners that are most in need, including those that lack donor support and visibility.

Contributions to the funds may come from government or private sector partners (e.g. in 2023, UNICEF's GHTF received 65% of funds from the public sector, and 35% from the private sector). Donors may provide one-off, annual or multi-year funding, and contributions are pooled, reducing transaction costs. The volume of contribution agreements varies: HTF agreements currently range from US\$500,000 to US\$1 million; SFERA agreements range up to US\$14 million; and GHTF agreements range from US\$30,000 to US\$31 million.

When a response is required, a rapid quality assurance and approval process is undertaken, and funds are allocated quickly in the form of up-front grant funding or

advances. Grants can be flexible in duration depending on the need, from short-term to multi-year timeframes (e.g. GHTF grants can last for up to four years).

Features (earmarking, flexibility, conditions, reporting)

- Funding is generally unearmarked or softly earmarked, for humanitarian responses or for target populations (e.g. women and girls, or children). Donors may allocate a grant to a programme for more strategic assistance to a specific crisis.
- There is generally a high level of flexibility to move funds between budget lines, activities, geographic areas or years. There may be some limits on flexibility depending on the type of funding allocated and any agreements with donors.
- There can be a range of conditions on the funding, such as the following:
 - It must target a certain population (e.g. the HTF must target women and girls, young people, people with disabilities and other groups who are marginalised and affected by the humanitarian crisis).
 - Crises must meet set criteria (e.g. for part of its funding, SFERA requires a crisis to have been declared by UN OCHA and an international appeal, or a country to be in protracted crisis as defined by FAO's early warning and food security information systems).
 - Funds must be used against the targets and priorities set out in a particular appeal (e.g. the UNICEF Humanitarian Action for Children appeal).
- An annual report is generally required, covering the humanitarian response activities and results, as well as financial reports. This report may be provided to donors, governing bodies and the public.

Advantages

- Flexible funds allow agencies and their local implementing partners to react quickly to rapid-onset emergencies or the deterioration of existing crises, saving lives.
- Flexible funds also allow agencies to invest in preparedness and anticipatory action for early response through better risk analysis and the identification of high-return actions, which save lives and makes emergency responses faster and more efficient. The flexible pooled funds ensure a cost-effective response, which enhances the impact of donor contributions. Rapid early responses are more efficient, mitigating the impact of threats, protecting people and livelihoods, hastening the recovery of those affected and strengthening resilience.
- The flexibility of funding allows agencies to adjust activities and support according to the geographical and thematic areas of greatest need (see [‘Lessons from users of these instruments’](#)).
- Pooled funding reduces the risk of a donor's investment and allows for resources and responses to be tailored to underfunded emergencies.

- Administrative costs and reporting requirements can both be reduced through pooled funding mechanisms.
- The funds can allow for humanitarian responses to be more equitably based on needs, by reaching populations in small and/or forgotten crises or in underfunded sectors.

Disadvantages/challenges

- Pooled funds that make allocations to any part of the recipient UN agency's global response may be less attractive to donors that want to give directly to specific responses or locations.
- The availability of resources limits the impact of the funds (e.g. SFERA would benefit from a greater degree of working capital).
- There can still be challenges in shifting the allocation of resources according to need, and additional effort is required to increase the fungibility of funding.

Lessons from users of these instruments

- Flexible funding to UNICEF's GHTF and to FAO's SFERA enabled both to invest in disaster preparedness and anticipatory action (see Box 2), including better risk analysis and the early identification of impactful interventions.
- Seed funding provided by GHTF, SFERA and UNFPA's HTF allowed for a swift response to kick-start operations in rapidly deteriorating contexts (e.g., in Ukraine) and to leverage additional funding from other sources. Notably, the large volume of flexible funding received by UNICEF for the GHTF in 2022 (US\$784 million – three times 2021's volume, and driven partly by the Ukraine crisis), showed that large volumes of quality funding can be swiftly provided and deployed to protect children's rights in situations that are both rapidly evolving and featuring high levels of need.
- During crisis responses, flexible funding enabled UNICEF's GHTF and UNFPA's HTF to focus on specific policy areas and gaps in the response:
 - Both used flexible funding to mitigate gender-based violence. In response to flash floods in Uganda in 2022, HTF funds strengthened coordination among gender-based violence actors at district and national levels, and facilitated the quick establishment of safe spaces for women and girls among internally displaced communities.
 - Flexible funding also enabled UNICEF and UNFPA to deliver support in accordance with policy positions, such as the centrality of protection and accountability to affected populations – including those living with disabilities, and localisation.
- The flexibility of UNICEF's GHTF also allowed for the allocation of funds to build pathways for impact and long-term results in fragile contexts in accordance with the humanitarian–development–peace nexus.

Box 2: FAO's learning on the importance of flexible financing for anticipatory action during the 2023–2024 El Niño

In 2023, El Niño altered temperature and rainfall patterns around the world, contributing to hazards including floods in Eastern Africa and abnormally dry conditions in parts of Southern Africa and Central America.

Yet before such hazards materialised, FAO – in close coordination with governments and partners – had launched anticipatory actions in 19 countries at risk, providing support to approximately 700,000 farmers, herders and fishers who were already experiencing vulnerability. Anticipatory actions can work with these rural communities to continue producing food locally despite the hazards, safeguarding their food security.

Pre-arranged, unearmarked flexible funding has been critical in allowing the FAO to act quickly through the dedicated Anticipatory Action (AA) window of SFERA. US\$11.4 million from SFERA was allocated for anticipating and mitigating the effects of El Niño.

SFERA-AA also played a catalytic role for other responders' efforts. Following FAO's AA activations (which in many countries were triggered in coordination with other organisations), the UN CERF allocated funding to scale up the assistance provided in Madagascar, Zimbabwe and Timor-Leste.

Preliminary empirical findings indicate that anticipatory actions were effective in helping to sustain local food production and protecting assets from hazards, with cascading positive effects on food security and nutrition.

Examples of Anticipatory Action

In 2023, when drought was forecast ahead of the post-rainy agricultural season in the dry corridor of Central America, FAO supported farmers experiencing vulnerability in the areas most at risk. They provided rainwater harvesting and water recycling equipment, drought tolerant inputs to produce short-cycle crops, and access to veterinary care. Based on preliminary assessments the funder reported that:

- The areas where support was provided saw improved animal health and increased agricultural production, despite the drought. In Guatemala, support to small-scale farmers with setting up kitchen gardens helped increase the size of cultivated area by up to ten times for some vegetables.
- In El Salvador, there were no assisted families with 'poor' levels of food consumption after the interventions.¹⁵ Assisted populations were also less likely to use negative coping strategies than affected populations not receiving support. In Nicaragua, for instance, the Coping Strategies Index of assisted populations was less than half of the affected populations not receiving support.¹⁶
- The interventions also had an effect on dietary diversity. For instance, there were major increases in the consumption of the variety of meat, dairy, pulses and vegetables among assisted populations.

► Read more about this quality funding example:

- [Web page of UNFPA's HTE](#)
- [Web page of FAO's SFERA](#)
- [Web page of UNICEF's GHTE](#)

7. Resilience Food Security Activities – Ethiopia

What are they?

In Ethiopia, Resilience Food Security Activities (RFSAs) are multi-year awards made by USAID/Bureau for Humanitarian Assistance (BHA) to NGOs to support the Productive Safety Net Program (PSNP) led by the government of Ethiopia. The PSNP aims to address the basic food needs of nearly eight million chronically food-insecure Ethiopians with both cash transfers and food assistance.

The RFSAs support the concept of a single, scalable safety net that addresses long-term chronic food insecurity and reduces poverty. This is combined with a shock-response contingency budget used to address acute needs that arise during the year among the clients covered by the RFSAs and the PSNP programme.

How do they operate?

USAID/BHA awards this funding to private voluntary organisations (which can include US and non-US NGOs) that are successful in a highly competitive request for applications in five-year cycles. The awards last for five years, with the funding disbursed through annual grants following a yearly workplan-approval process. Up to four awards are made per cycle, subject to funding availability.

The total amount funded through the awards is approximately US\$110 million a year. USAID provides up-front funding to partners before shocks happen, which can be used in defined circumstances as set out in the cooperative agreement between the donor and partner. In the financial year ending 2023, amounts granted to organisations ranged from US\$26.7 million (awarded to Catholic Relief Services) to US\$49.2 million (awarded to World Vision).

Features (earmarking, flexibility, conditions, reporting)

- The funding is targeted at the programme level and is tightly earmarked to the successful private voluntary organisations under a prescriptive design.
- There is line-item flexibility at the award level, but there cannot be a change in scope (e.g. activity, geographic location) without prior USAID approval.
- There are strict conditions on the funding, including the provision of:
 - an indicator performance tracking table;
 - a detailed implementation plan;
 - a monitoring and evaluation plan; and
 - a workplan-approval process.
- There are regular reporting requirements, with quarterly, annual and final budgetary reports required, as well as activity updates.
- Contingency budgets, in case of unexpected shocks, allow projects to pivot in response to context changes in less than a month.

Advantages

- This programme allows the donor a high degree of oversight of the programme, while contributing to a local, government-led social protection strategy that works to implement a scalable safety net.
- USAID has found this programme to be successful in strengthening resilience among rural food-insecure clients and protecting development gains. While the PSNP has an immediate focus on food security, it also supports longer-term outcomes around gender equity and women's empowerment, livelihood support, nutrition and working with communities to become more climate resilient.
- The multi-year aspect of the awards offers partners predictability of funding, allowing them to plan further ahead and be more efficient, rather than operating in annual award cycles.

Disadvantages/challenges

The donor is closely involved at the output level, but this comes at the cost of increased donor and partner time dedicated to award management and reporting. This level of reporting is similar to other cooperative agreements that USAID operates.

Lessons from users of this instrument

Planning ahead on analysis, staffing and budget requirements for multi-year funding is important, as it can take a long time to get political and financial buy-in.

The contingency budgets were successfully used in response to the Covid-19 pandemic to mitigate food insecurity impacts in rural PSNP areas. As community food-security groups articulated needs, local governance structures requested use of the contingency budget. Partners notified USAID as part of the Covid-19 pivot plan approval process to effect contingency transfers of food. These were approved, and using the existing distribution and safety net system, new clients affected by Covid-19 are being enrolled into the programme for temporary support.

8. Rapid response funding mechanisms for NGO action

What are they?

These rapid response funding mechanisms operate within donor-NGO partnerships and enable rapid responses by local and/or international NGOs (INGOs) to sudden-onset crises, a deterioration of an ongoing crisis or in anticipation of a crisis. Rapid response funding mechanisms have swift approval processes and aim to provide flexibility and speed to respond to changing events.

Examples collected included the Swedish government's Rapid Response Mechanism, USAID/BHA's partnership with IOM to deliver a Rapid Response Fund in South Sudan and Abyei (one of several mechanisms of this type), and Start Network's Global Start Fund. These are just a few of the rapid response modalities that exist to contribute to flexible funding and timely response.

How do they operate?

A donor undergoes a process with local or INGOs to enter a strategic or cooperative partnership (or, in the case of USAID/BHA, a partnership with the International Organization for Migration (IOM) that in turn supports partner organisations working in the region to deliver rapid responses). Through this process, the donor assesses the partner's capacity and ability to implement rapid response projects. The duration of partnership agreements in the examples collected ranged from one to three years, or partners may be approved members of a network (e.g. Start).

The partnership funding can operate in different ways:

- An agreed amount can be paid from the donor to the recipient annually across the duration of the agreement.
- A proportion of the total amount funded through a partnership agreement may be tagged for rapid responses.
- There may be no ongoing annual amount paid, only funds paid out for specific rapid response projects as they arise.

When a sudden-onset crisis arises or an existing crisis worsens, an NGO can apply to the donor or partner agency through a simplified application procedure (e.g. an email, phone call or simple template, followed up by a fuller template/application) to use some of the already released funds to respond quickly to the emergency, or for new funds to be granted. Approval processes are streamlined (examples collected ranged from 24 hours to 7–10 days). For some mechanisms, approval can be granted at field or headquarters level (including for smaller amounts), while others (especially larger amounts) may need higher managerial approval, which may take longer.

Amounts released for the rapid response projects in the examples collected ranged from US\$50,000 to US\$750,000 (although Sweden can grant larger amounts with Head of Department approval). Most response projects are for a short period, ranging from one to six months, although Sweden's mechanism allows for projects to be extended to up to twelve months in exceptional circumstances.

Features (earmarking, flexibility, conditions, reporting)

- Funds approved for responding to new or worsening crises are tightly earmarked for that purpose (this may be at country, organisational or project level).
- There is flexibility to use existing funds for new purposes as they arise, but they must be approved by the funder. There may also be flexibility to make

minor changes within budget lines of the project itself without donor approval (e.g. up to 10%).

- There may be conditions that the rapid-response programme:
 - is concluded within a certain timeframe;
 - uses the funding for only a sudden-onset or protracted emergency, or a humanitarian response – it may be precluded from venturing into longer-term development or disaster risk reduction projects; and/or
 - shows a demonstrable benefit for the affected population within a specific timeframe.
- Funders have different requirements for reporting. Examples collected include requiring reports within a defined period after the start and end of the response project, or requiring reporting on the project only through an annual report on the partnership as a whole. Reporting requirements may follow donor-specific templates.
- For some mechanisms, the majority of grants are made to local NGOs, providing access to quick funding for time-limited emergency responses, and capacity-strengthening support that will have lasting impact on their ability to respond.

Advantages

- Can be used to respond to fast-arising and moving crises.
- Can allow NGOs greater flexibility to be more responsive to emergencies. They can also provide greater funding to local and national NGOs, working with them to strengthen their capacity as well as providing an avenue for local partners to maximise the effectiveness of services delivered.
- Can allow donors to expand their geographic reach by working with local partners and coordinating with other agencies, meeting needs not met through other programmes.
- Decreases the risk of politicisation of aid and incentivises principled prioritisation by allowing operational agencies to independently direct pre-allocated resources across deteriorating crises. As such, there are potential policy-level benefits to this type of flexible funding (in addition to operational benefits in terms of timeliness).

Disadvantages/challenges

- In practice, for some mechanisms, recipients may not find approval from the donor particularly fast. The recipient may have to answer further questions from the donor before their request is approved.
- Where a donor is very principled or strict about what humanitarian funding can be used for, there may be tight rules that the funding can be used for only a pure humanitarian response, and not for anything that could be funded by development spending.
- The short timeframes inherent in rapid response mechanisms can in some circumstances counteract efforts to work more closely with local partners,

even where there is a strong desire to do so, as the time available to fully include local partners in all phases of the project process is limited.

Lessons from users of these instruments

Rapid response arrangements are generally well regarded by the donors. The partnerships require a high level of trust between donor and recipient. For responses to become more rapid and flexible, some donors would need to increasingly empower the NGO to make decisions and decide for itself where to spend the funding.

Where the response funding is sought because of the worsening of a protracted crisis, a longer decision-making time may be appropriate, allowing donors and partners more time to collate information and make decisions. While a rapid response mechanism may be flexible in the way it operates, flexibility to extend the responses could help address needs that remains after the conclusion of a project. One donor extended the maximum duration for its response projects to address this.

In South Sudan, the BHA/IOM RRF relies on the involvement of national NGOs (NNGOs) as implementing partners. Through this localised approach, the RRF can efficiently reach populations in hard-to-access areas. This is achievable because NNGOs are deeply embedded in their respective communities and possess the capability to swiftly respond to any crisis with a fluent understanding of the local context. RRF remains the sole available funding mechanism for rapid emergency response for the NNGOs that are implementing partners within the country.

► Read more about this quality funding example:

- [Web page of BHA/IOM's Rapid Response Fund in South Sudan](#)
- [Swedish government's guidelines for the Rapid Response Mechanism \(2020\)](#)

9. Locally led humanitarian funds

What are they?

Locally led humanitarian funds are those where funding is provided to, and decided on, by local actors.¹⁷ This allows organisations that have the contextual knowledge to make effective decisions about how money is spent to have the autonomy to do so. Examples that informed this entry include the regional Consultative Group on Risk Management fund (CRGC) in Central America, the Community Resilience Fund (CORE) in Nepal (not yet fully active), the NEAR Change Fund and the Syria-Türkiye Solidarity Fund.

How does it operate?

There are different models in operation containing the following features:

- Managed by a secretariat or selection committee, with an advisory or a governance body providing oversight. For example, six selected organisations in CRGC can administer funds to its 130 members across Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Every two years their governance responsibilities rotate.
- Members complete compliance checks before funding is disbursed. For example, The NEAR Change Fund members, which are based in 27 countries and have received US\$1.5 million between them since 2022, apply for pre-approval, meaning that their organisation's registration and financial reports are completed before an emergency is declared. They can then apply for grants ranging from US\$150,00 to US\$250,000, which are granted within 8 days of an acute crisis being declared. Further, there are often elements of local risk assessment or context analysis completed in advance so funding decisions are quicker.
- New funding opportunities are communicated to all members who are invited to formally express their interest.. Those making decisions on who receives funds are not eligible for the same funding pool, and roles rotate through the membership.
- The funds are often hosted by a selected NNGO but this is for logistical purposes only. A separation is made between their role to disburse funds and their governance or participation role so that they do not unfairly influence decisions.

The CRGC invested over US\$2.6 million over two years in pre-positioned funds to support emergency responses. The CORE fund in Nepal constitutes a consortium of 11 NNGOs that are creating a pooled fund for international, national and philanthropic donations.

Features (earmarking, flexibility, conditions, reporting)

- The flexibility and conditions of the funds' allocations vary depending on any requirements the donor specifies for the overall pool.
- Fund allocations can be used flexibly for any necessary project activities within a specific response (i.e. recent or forecasted disaster) or sector.
- L/NNGOs report back to the secretariat or management committee, which then reports back to the relevant donors.

Advantages

- Pre-vetting and compliance processes completed before funding is disbursed mean it can be with L/NNGOs quicker than other funding mechanisms. The NEAR Change Fund has disbursed grants within 72 hours.
- Locally led funds prioritise local and national implementers that may have better access to areas and affected populations that are hard for international responders to reach, as showcased by the Syria-Türkiye Solidarity Fund's response to the 2023 earthquakes.

- Reporting is required but varies on a case-by-case basis and is often much lighter than traditional funding mechanisms. Often, just one report is required at the completion of the project, outlining how the funds have been spent.
- Reduction in overall programme management costs can be an advantage, with overheads for locally led responses tending to be lower than for other, international mechanisms, work being focused within one region or country, and salary costs more often being adapted to the domestic costs of living rather than international pay scales.
- When allocations are flexible, L/NNGOs can adapt funding to changes in the context, rather than working within more rigid project frameworks.

Disadvantages/challenges

- There are only a small number of locally led funding mechanisms fully operational, which means very few local and national humanitarian actors are benefitting from the mechanism.
- Of those that are operational, funding volumes remain low, especially compared to the overall volumes of funding for specific regions or crises, or to international pooled funds.
- There is little evidence of locally led funding sources providing multi-year funding. Most pooled funds are designed for immediate responses.

Lessons learnt

Even though the locally led funds investigated under this entry focus on crisis responses, they often work towards a nexus approach. Respondents that were consulted to feed into this catalogue highlighted how the close attention paid to the whole range of the affected population's needs leads to actions outside of traditional humanitarian response. Those implementing the funds have cited disaster risk reduction, advocacy, organisational capacity and resilience-strengthening actions completed alongside response to disasters.

Box 3: Innovative peer-funding mechanisms connecting refugee-led organisations

The Resourcing Refugee Leadership Initiative (RRLI) is a coalition of six refugee-led organisations (RLOs) that have established the Refugee Leadership Fund as RLO-to-RLO pooled fund – the first RLO peer fund of its kind.

Its members – Basmeh & Zeitooneh (Lebanon and Iraq), Refugees and Asylum Seekers Information Centre (RAIC) (Indonesia), Refugiados Unidos (Colombia), St Andrew's Refugee Services (StARS) (Egypt), Young African Refugees for Integral Development (YARID) (Uganda) and Asylum Access (which also hosts the fund). The fund aims to support community-led responses in displacement situations and is supported by a number of private donors.

RRLI provides multi-year, flexible core funding to RLOs globally – disbursing over US\$3.6 million since 2021. It provides this funding through two grant types:

Strengthening Grants, which provide up to US\$25,000 for smaller, newer RLOs, and Impact Growth Grants, which provide between US\$100,000–200,000 to more established RLOs that can manage larger grants. The fund seeks to remove many of the preconditions that get in the way of RLOs accessing funding – for example, by allowing submissions in languages other than English and by waiving the necessity of RLOs having a bank account or legal registration before applying. It also seeks to facilitate connections between funders and RLOs that are often shut out of formal refugee response coordination systems.¹⁸

► **Read more about this quality funding example:** [NEAR Syria-Türkiye Solidarity Fund web page](#)

10. Localised NGO consortia

What is it?

Localised NGO consortia are similar to locally led humanitarian funds, but function as consortia of mostly local or national NGOs that are able to access funding based on predetermined criteria. They can involve international NGOs that have initiated the consortium or have a decision-making/funding management role.

Depending on consortium or programme arrangements, the funds received by the localised NGO consortium are released to local or national actors who make decisions on its use. When disaster strikes, these L/NNGOs can submit requests to access pre-arranged pools of money to address the consequences of the crisis at the local level in a timely manner, especially to reach those who can be overlooked by other actors.

Examples that informed this catalogue entry include the Somalia Nexus Consortium, the Humanitarian Operation and Innovation Facility (HOIFA), a pooled fund developed by the ‘Towards Greater Effectiveness and Timeliness in Humanitarian Emergency Response’ (ToGETHER) programme and Trócaire’s pre-positioned funding model for localised responses.

How does it operate?

- A secretariat or management committee, featuring a majority of L/NNGOs, is set up to manage the funds. For example, The Nexus Anticipatory and Emergency Response Fund, part of the Somalia Nexus Consortium, includes nine L/NNGOs and two INGOs (Oxfam and Save the Children).
- L/NNGOs who have pre-existing partnership agreements with German funders, and the four German INGOs who support them, have incorporated into their joint programme a flexible funding budget called HOIFA. It is earmarked only to humanitarian action, and its purpose is to test innovative approaches. This has been effective in releasing funds in emergencies to local organisations that cannot access funding from other international sources. Funded by the German Federal Foreign Office, through the ToGETHER

Programme, grants are disbursed through country steering committees composed of leaders from local NGOs.¹⁹

- Trócaire has recently piloted a new model for humanitarian funding based on pre-positioned funding to support locally led responses in five countries: Sierra Leone, Malawi, Rwanda, Myanmar and Nicaragua. While Trócaire, an INGO, administers the funds, pre-vetted L/NNGOs have the decision-making power around when and how to use the funding. The model involves positioning a small, flexible amount of money with local partner organisations who can use it to respond to emergencies as they occur. Trócaire is using unrestricted income to finance the pilot.²⁰
- The L/NNGOs that can benefit from the funds are selected based on the consortia's requirements, geography (i.e. active in a district targeted by a programme) or due to a partnership with an INGO. Members complete compliance checks before funding is disbursed. Requirements might include having Emergency Preparedness Plans or other contingency planning in place, or more standard organisational capacity checks.
- Some of the consortia studied use a forecast-based financing approach to pre-emptively address needs to work with communities to mitigate losses and strengthen resilience to future shocks. Following an alert to a secretariat or management committee, funds are released. For example, the Nexus Anticipatory and Emergency Response Fund uses a forecast-based financing approach in order to pre-emptively address needs to work with communities in Somalia mitigate losses and strengthen resilience to future shocks. Funds are dispersed by Oxfam (Somalia Nexus Consortium member) in advance, allowing L/NNGO members to take ownership of decision-making on allocations to anticipatory action.
- The role of INGOs differs in each consortium, from solely reporting back to the donor, to monitoring any donor restrictions on funding allocations, to being a minority decision-maker.

Features (earmarking, flexibility, conditions, reporting)

- Funding to localised consortia is often softly earmarked for anticipatory action or humanitarian response in a given geographic context.
- Funding allocated by localised consortia to its consortium members is tightly earmarked for specific projects that respond to or anticipate humanitarian needs.
- Flexibility, funding conditions and reporting processes differ across consortia but there is a common and strong emphasis on local decision-making and streamlined compliance processes. This is to make funds available to a wide range of organisations and to ease administrative burdens as much as possible.
- Implementers provide simplified reports to the organisations managing the funding.

Advantages

- Localised consortia are often more flexible in adapting their response than other mechanisms as their funding is specifically designed to enable local partners to be more agile and responsive to changing and emerging humanitarian needs.
- There are many examples where funding was pre-arranged so it could be disbursed quickly and to shorten the time delay between the application for funds and them arriving in the L/NNGOs' bank account.
- Forecast-based financing (to pre-emptively address needs to work with communities mitigate losses and build resilience to future shocks based on a weather or seasonal/annual forecast) is an emerging feature of these localised consortia. Anticipatory actions, triggered with a forecast before a disaster hits, are therefore options alongside humanitarian response programmes that respond to disaster after its impact.
- Pre-vetting of consortium members means requests for finance are less likely to be denied than those made to other funding mechanisms, unless the circumstance does not meet the fund's criteria of a humanitarian crisis. This arrangement provides some certainty for fund/network members that there is a pre-arranged pot of funding available to draw on in the event of a shock.
- The researched localised funding mechanism fill a gap in providing funds for L/NNGOs, who are unable to directly access funding from other international sources.

Disadvantages/challenges

- L/NNGOs who do not meet consortium criteria (programmatically, geographically or due to existing partners) remain excluded from this funding mechanism.
- There is arguably still a reliance on funding to be channelled through INGOs from international donors. The ongoing sustainability of localised funding therefore remains a challenge if it is conditional on those INGO's engagement and fundraising.

Lessons learnt

- The strengthened decision-making role of local actors has progressed the localisation agenda.
- Users of this instrument have highlighted the benefit of learning together, as consortia foster a culture of collaboration. This approach has strengthened the examples given, with operational processes revised to capture shared learnings. For example, the Somalia Nexus Consortium's early warning system's triggers, criteria and proposal templates align with the Dutch Relief Alliance's Somalia Joint Response (SOMJR-DRA) crisis modifier and this continues to facilitate strong collaboration. Further, this emphasis on collaboration extends to government actors and local communities.

- Trócaire’s pre-positioned funds pilot suggests that the rapid availability of funding after a shock can result in L/NGOs being able to leverage additional funding, for example through seed funding allowing them to complete rapid needs assessments. Their response speed can also strengthen their social standing with communities and local authorities.

► **Read more about this quality funding example:**

- [Web page of the ToGETHER programme](#)
- [Web page of the Somalia Nexus Consortium](#)
- [Report on Trócaire’s pre-positioned funding for locally-led humanitarian action \(2023\)](#)

11. NGO-led crisis response funds

What is it?

NGO-led crisis response funds refer to grant facilities that are managed by one or several NGOs to direct the funding received from one or multiple donors for the NGO-delivered crisis response. The initiatives reviewed as part of this example of quality funding dispersed funds to several partner NGOs (both national and international).

Examples of the NGO-led crisis response funds that informed this entry include the Sahel Regional Fund (SRF), the Human Mobility Hub, the Nabni-Building for Peace (B4P) Facility and the Global Start Fund. They all focus on attracting flexible and – where possible – predictable funding from donors. They then allocate this funding to NGOs so they can complement and fill specific gaps in crisis responses. This encompasses responses with a nexus approach, support for local actors, addressing neglected crises, and enabling rapid responses or cross-border activities to meet regional needs.

How do they operate?

NGO-led crisis response funds tend to be run by an independent management unit that is hosted within a single NGO. However, they often have a unique fund identity or brand that is separate from the host NGO’s brand. This is to avoid potential conflicts of interest in the allocation of funding and possible tensions when operating in complex, conflict-affected environments. In some of the reviewed examples for this case study entry, governance and funding processes were set up from scratch to match the fund’s specific mandate, such as supporting cross-border responses or local actors that are unable to access funding from other international sources. Governance models vary according to the funding mechanism; one or more INGOs are always involved while the inclusion of donors and local actors varies.²¹

Given that each of the reviewed NGO-led crisis response funds tailors their setup based on the response gap they seek to fill, funding eligibility and allocation

approaches vary. Those facilities with a primary focus on localisation – such as the Human Mobility Hub or the Nabni-B4P Facility – only provide funding and other forms of support to local actors. Conversely, any NGO consortium involving both international and local actors and responding to cross-border crises in the Sahel region is eligible to apply for SRF funding. Finally, the Global Start Fund allocates funding to Start Network members with an existing operational presence in the crisis context within 72 hours of a crisis alert being raised, with funding decisions being made by Network members themselves.

Features (earmarking, flexibility, conditions, reporting)

- Donor funding to NGO-led crisis response funds is usually flexible within each mechanism's mandate.
- In several instances, donor contributions to the funds reviewed were also multi-year (for example, FCDO has committed funding to the SRC until 2026) which enables better planning visibility and allows for multi-year allocations to be made.
- The degree of earmarking for allocations by NGO-led crisis response funds varies depending on their mandate but most funding is earmarked for NGO responses in specific country contexts. SRF is an exception as it supports cross-border activities with flexibility to shift funding across countries.
- Most of the NGO-led crisis response funds reviewed aspire to maintaining flexibility in their allocations so that their partners can easily adapt their activities in line with context changes.
- NGO-led funding facilities that focus on localisation provide additional flexibility to their local partners by co-designing activities based on the partners' priorities and in line with their expertise.
- Reporting requirements vary across the NGO-led crisis response funds reviewed but are generally as light as possible while still meeting back donors' reporting requirements, ensuring accountability, and enabling learning.
- The Global Start Fund pays great attention to the timeliness of its funding allocations; making funding decisions within 72 hours of a crisis alert being raised and transferring funds within 24 hours.

Advantages

- The comparative advantage of NGO-led financing mechanisms is the greater flexibility and agility with which they can operate and access crisis-affected populations to meet their changing needs. Funding and activities can thus be more easily adapted to changes in context than through other, more traditional funding mechanisms.
- The operational presence of NGOs that decide on funding allocations allows for funding decisions to be grounded in first-hand knowledge of the context, needs and response gaps in subnational crisis-affected areas.
- Partnerships with local actors and better access to crisis-affected populations in hard-to-reach areas – often through longer-term activities enabled by

multi-year funding – facilitate greater relationship-building with local communities.

- NGO-led crisis response funds complement existing crisis responses by supporting populations or local actors outside the reach of other humanitarian donors or responders.
- NGO-led financing mechanisms with access to longer-term funding also tend to embrace a nexus approach, allowing the recipients of their allocations to operate beyond immediate life-saving assistance. The mechanisms also focus on strengthening community resilience alongside responding to shocks as they emerge.
- Given that most NGO-led crisis response funds are multi-stakeholder arrangements, they also improve the coordination of responses by participating NGOs.
- Donors to NGO-led financing mechanisms welcomed their transparency on how and why funding allocations are made, and what results they are able to achieve. Greater donor involvement with some of the reviewed mechanisms such as the SRF or the Nabni-B4P also improved donor understanding of operational challenges. It also facilitated discussions with those donors on the possibility of easing reporting requirements or due diligence processes in line with the mechanisms' mandates and their partners' needs.

Disadvantages/challenges

- Given that most of the NGO-led crisis response funds reviewed only emerged in recent years (aside from the Global Start Fund which was originally launched in 2014), they still need to build diversified donor bases that can contribute predictable funding.
- In cases where donors are more involved in funds' governance, donor policies or geographic priorities can influence allocation decisions in favour of operational knowledge from crisis-affected areas.
- Similar to other intermediary funding structures, the risks associated with fund allocation and management are sometimes transferred from donors to NGO-led crisis response funds without transparent discussions on what the risks are and how they could be managed collectively.
- When NGO-led funding mechanisms are set up with a distinct identity and brand, there can be competition for resources or tensions around visibility between the mechanism and the hosting NGO and/or member NGOs. Depending on the setup, there may be issues around incentives for NGOs to lead on its management if the lead NGO takes on most of the risk but is not able to receive funding from the mechanisms for its activities.

Lessons learnt

- The setup of new NGO-led crisis response funds can be time consuming and requires flexible and committed donors that are open to adapting their due diligence processes to the funds' specific mandates. This applies particularly

to funding mechanisms that focus their support on local actors as some were required to adapt their due diligence procedures to reflect equal partnerships as opposed to hierarchical sub-granting relationships.

- NGO-led funding mechanisms are able to reduce the transaction costs of channelling funding from donors to frontline responders by sharing back-office staff with the hosting NGO(s).
- Some of the NGO-led crisis response funds reviewed successfully provided funding, including the provision of a funding percentage to cover overheads, to local and national actors that are part of implementing consortia. However, there is a greater need for L/NGO inclusion in mechanisms' governance, especially where said mechanisms seek to progress the localisation agenda.
- The scale of NGO-led funding mechanisms is relatively small compared to the total volumes of humanitarian funding globally or reaching the contexts they operate in, which limits their ability to influence the broader crisis response.

► **Read more about this quality funding example:**

- [Start Network findings from the Global Start Fund 2021–2022 evaluation \(2022\)](#)
- [ICVA comparative study on governance systems of pooled funding models \(2023\)](#)

Case studies

1. Start Network's Global and National Funds

What are they?

The Start Network's suite of rapid-response funds now comprise the Global Start Fund, accessible by its 80 local, national and international member organisations to respond to crises globally, as well as two national funds modelled on the Start Fund in Bangladesh and Nepal. Any organisation that is a member of the Start Network is eligible to apply for funding, once a crisis alert has been raised and so long as they have direct or indirect presence through partners in the crisis country. The relevance of proposed activities for any intervention are considered at the proposal review stage.

Why and how?

Start Fund projects are intended to be flexible, in recognition of the fast-evolving nature of humanitarian contexts, particularly in the early stages of crises when Start Fund projects are implemented to fill critical gaps. The Start Fund deliberately allows flexibility for projects to adjust their activities in response to changing needs or feedback – positive or negative – from crisis-affected communities. In order to move more than 20% of funding between budget lines, implementing agencies are expected to seek approval from Start via email and provide a justification for the requested change. These reprogramming requests are usually responded to swiftly. As an example, over the course of an intervention funded through Start Fund Nepal in response to an earthquake in Jajarkot, Nepal, in November 2023, the design of shelters was adapted to the preferences of affected families through a light-touch approval process.

Start Fund Bangladesh allows a portion of any project budget to be used to implement activities based on recommendations from crisis-affected and at-risk populations. These activities do not need to be outlined in the project design at the time of submission (48 hours after a crisis alert has been raised). Instead, awarded agencies can determine the best use of these funds based on community consultations, which can happen over the course of the 45-day project implementation timeframe. Awarded agencies are required to provide a report 30 days after the end of the project.

Earmarked funds from three donor agencies have enabled the Global Start Fund to pilot a tiered due diligence framework that allows organisations with a diverse range of compliance profiles, particularly local and national NGOs, to access funding. As a

result of the evidence generated from this pilot,²² Start Network has been able to scale this approach, enabling many more local actors to access financing through the Start Funds.

What do they do?

This funding process has been designed to increase the quality funding accessed by local and national Start Fund members.

- The Start Network's Tiered Due Diligence approach has allowed organisations of diverse compliance profiles to join the Network, and access funding through the Start Funds. Most Start Network members are now local and national NGOs. Since the introduction of this approach, the proportion of funding disbursed through the global Start Fund to local and national organisations has increased from 3% in 2020 to 14% in 2023. In Start Fund Bangladesh, since 2017, 56% of funding disbursed has been accessed by local and national organisations, and in Start Fund Nepal, in 2023, 25% of total funds awarded went directly to L/NNGOs (compared with 0% direct funding in 2021 and 2022).
- The Start Funds currently allow convening agencies to claim up to 10% of project budgets for indirect cost recovery (ICR). However, the extent to which ICR is shared by awarded agencies with partners, particularly local partners, varies across Start Network member organisations. Start Fund Bangladesh makes recommendations at the proposal-selection stage that awarded agencies share ICR with partners downstream. In 2023, Start Fund Bangladesh saw around half of the awarded agencies share their ICR with their implementing partners, up from 35% in 2019. Start Network, informed by the learning and experiences from Start Fund Bangladesh, are in the process of developing policy and guidance on ICR-sharing between agencies awarded funding and their downstream partners. In 2021, more than 72% of the ICR accessed by L/NNGOs (Start members) was invested in organisational system strengthening, such as financial management system and governance.
- The Start Network has offered a package of organisational strengthening support to local and national organisations in various contexts, including Bangladesh, Nepal, the Democratic Republic of the Congo, India, Pakistan and Guatemala. This has been provided in the form of micro-grants, as well as through peer-to-peer support. Organisational strengthening has supported local organisations to chart their growth and strengthening their systems, both enabling more effective humanitarian response, and increasing their access to other, larger sources of funding as a result of their more robust compliance systems. Since 2017, Start Fund Bangladesh has worked with 57 local organisations to strengthen their leadership capacity, financial management, monitoring and evaluation processes, safeguarding and humanitarian essentials. It has also supported 16 organisations in Bangladesh to develop their organisational strategies, and provided further support to secure investment into those strategies. In 2019, 3% of Start Bangladesh

L/NNGO members had safeguarding policies, but by 2023, 100% L/NNGO members have developed them.

So what?

The following reflections are taken from an external evaluation of the Start Fund.²³

The evaluation recognises the role the Start Network can play to facilitate a decentralised, networked humanitarian response ecosystem that provides more funding to national and local organisations. This however requires more advocacy with large, conventional donors to support this wider system change.

L/NNGOs, through the Start Network, have called for the perceived lack of capacity within L/NNGOs to be reconsidered, which they claim is due to a lack of sufficient understanding and recognition of L/NNGOs' contributions to humanitarian responses. Further, they highlight that the quality of funding should be given the same importance as the quantity of funding, as together both will be true markers of equitable partnerships across the humanitarian sector.

The Start Network plans to further decentralise funding decisions by strengthening national hubs, such as the ones established in Bangladesh and Nepal, while growing the ownership and decision-making power of local actors in those contexts.

► Read more about this quality funding example:

- [External evaluation of the Start Fund Nepal \(2024\)](#)
- [External evaluation of the Start localisation pilot \(2023\)](#)
- [External evaluation of the Global Start Fund \(2022\)](#)

2. UN OCHA's Country Based Pooled Funds

What are they?

UN Country Based Pooled Funds (CBPFs) are funding mechanisms that pool softly earmarked funding for allocation in specific country contexts. CBPFs are established by the UN's Emergency Relief Coordinator (ERC) when a new emergency develops or an existing crisis deteriorates, following a field-driven assessment against a set of established criteria to determine if a CBPF could bring added value to the delivery of humanitarian aid.²⁴ In-country, funding from CBPFs is allocated to a range of implementing partners; UN agencies, national and INGOs and the Red Cross and Red Crescent Movement. OCHA has enhanced the flexibility provided by CBPF allocations – for instance, allowing partners in Ukraine to easily reallocate projects and extend their implementation periods to rapidly address evolving needs.²⁵

To date, CBPFs have delivered assistance in 28 countries. In 2023, 47 government donors made contributions to CBPFs²⁶, and the 16 CBPFs and one Regional humanitarian Pooled Fund (RhPF) in operation allocated US\$1.1 billion to 1,265 projects. Of this (and including sub-implementers), 39% (US\$428 million) was

provided to INGOs, 39% (US\$427 million) was provided to national NGOs, government agencies or private contractors, 22% (US\$237 million) to UN agencies and 1% to the Red Cross and Red Crescent Movement (\$10 million).

Why and how?

CBPFs were first established by UN OCHA in 1997 and focus on channelling funding efficiently and transparently for locally identified needs at the country level. Donor funding is pooled at the country level, where individual CBPFs, within the parameters of HRPs, then have freedom to determine how this funding is allocated most appropriately. The funds are managed in-country by UN OCHA under leadership of the UN's Humanitarian Coordinator, with an Advisory Board providing oversight and guidance on how funds are used. At the global level a multi-stakeholder Pooled Fund Working Group provides advice on policy.

Prospective recipients of CBPF allocations are vetted. Approved partners then submit project proposals to the CBPF. Two forms of allocation are distributed: Standard allocations, which are typically released once or twice a year, and Reserve allocations, which are released in response to sudden onset emergencies. In 2022, the average disbursement speed across all funds was within the target (10 days) for both Standard (9.5 days) and Reserve allocations (9.9 days).²⁷

Projects typically run for a maximum of 12 months and in 2023 project budgets ranged between US\$50,000 and US\$29.5 million. However, given that many CBPFs operate in protracted crisis contexts and that certain types of projects in these settings are more effectively delivered over a longer timeframe, OCHA has now begun to fund projects with an initial duration (so not merely a no-cost extension) of up to 18 months. Eight CBPFs (in the Central African Republic, the Democratic Republic of the Congo, Lebanon, Myanmar, occupied Palestinian territories, Ukraine, Venezuela and Yemen) were funding these longer-term projects in 2023.

What do they do?

Priorities for individual CBPFs are set at the country level in line with the needs identified within the UN's annual HRP.

CBPFs are designed to ensure the assistance they provide is locally appropriate, both through their local management and alignment with the priorities of the HRP, and the channelling of funding to local and national actors. CBPFs are the largest single source of direct funding to local and national NGOs, with additional funding from CBPFs passing indirectly to national NGOs where these organisations work with UN agencies or INGOs as implementing partners.

CBPFs are also intended to be agile and flexible in how they are used to respond to and fund changing needs. The CBPF Global Guidelines include the following flexibility provisions.²⁸

- The pre-positioning of funds with pre-selected partners for a stand-alone '48-hour response' project provides funding that can be used within 48 hours of a

crisis without the need for a detailed project proposal and logframe. This funding is pre-positioned with partners that are vetted to be best placed to respond to sudden-onset disasters in a specific geographic location. Within 20 working days, the implementing partner must update the original, broad proposal to reflect detailed activities of its response.

- Contingency budget lines of up to 4% of total direct project costs enable partners to rapidly respond to urgent humanitarian needs that were outside the original scope of the project.
- The reallocation of project funding is possible if strongly justified – i.e. to better meet the project objectives given the changing circumstances in which the project is implemented.
- No-cost extensions for previously approved projects can be requested in order to better meet the project objectives within a longer timeframe. This can be combined with reprogramming if needed.
- Cost extensions for previously approved projects (representing up to 30% of the original project budget) can be provided in exceptional circumstances, so long as the outcomes better meet the project objectives given changing circumstances

So what?

CBPFs are seen to allow for quick and appropriate response that promotes the country-level coordination of humanitarian assistance. For donors, CBPFs can enable greater impact through the pooling of their funding with others and can allow for greater operational reach than would otherwise be possible through the wide variety of CBPF implementing partners in-country.

Allocations by CBPFs to implementing partners are earmarked at the project level against logframes that are part of the proposal. While allocations are to be used within project parameters, it is possible for them to be used flexibly in response to changes in crisis contexts, and for projects to be revised (see the flexibility provisions listed above).

For donors, CBPFs complement other types and mechanisms of funding, such as core funding to UN agencies or funding to the Central Emergency Response Fund (CERF). The large proportion of funding that they provide to NGOs, both national and international, is a particular benefit in this regard. In addition, funding CBPFs allows donors to support coordination and a multi-sector response.

Through well-established links to the humanitarian country response, CBPFs can support HRPs in critical areas of operation and complement other UN-directed funding such as CERF allocations to the response.

UN OCHA has worked to improve the inclusiveness of CBPFs for local and national actors beyond consistently increasing the funding allocated to those partners. Two L/NGOs are represented in the global Pooled Funds Working Group, alongside INGOs, UN agencies and donors. A growing percentage of CBPFs' Advisory Boards – 18% in 2022, up from 13% in 2018 – is made up by local and national actors, which are also routinely involved in the review process of CBPF project selection.²⁹

Donors noted challenges around the difficulty of evidencing operational impact (though improvements, such as the 2019 Global Evaluation,³⁰ were recognised), in particular in the absence of a monitoring system that could aggregate results to the level of individual funds. Since 2022, OCHA has intensified efforts to document the CBPFs' impact through the CBPF StoryHub,³¹ which collects stories showing the impact of funding provided by OCHA-managed pooled funds.

► **Read more about this quality funding example:** [External evaluation of country-based pooled funds \(2019\)](#)

3. CERF's support for anticipatory action

What is it?

UN OCHA's Central Emergency Response Fund (CERF) provides funding for OCHA-facilitated anticipatory action pilots. It complements the fund's core funding functions under the Rapid Response (RR) and Underfunded Emergencies (UFE) windows. CERF has not created a separate window for anticipatory action; it houses the anticipatory approach under the RR window. Funding is currently restricted to these OCHA-facilitated pilot initiatives.

OCHA and CERF have set aside US\$140 million (including US\$33.4 million disbursed in 2020) to cover the two-year life cycle of each of the six additional pilots. OCHA and CERF have increased their involvement in developing anticipatory action from one pilot in 2019, to three pilots in 2020, to 12 pilots in 2021. They are gradually moving from the proof-of-concept stage to testing anticipatory action in different contexts and for different hazards.

Why and how?

Anticipatory action is defined as acting ahead of predicted hazardous events to prevent or reduce acute humanitarian impacts before they fully unfold.³² Although anticipatory action is housed under the CERF Rapid Response window, it is a distinct way of providing funding. All CERF funding requires a multi-agency coordinated response under Resident Coordinator or Humanitarian Coordinator (RC/HC) leadership. The funding release process for anticipatory action is predicated on three conditions that maximise the effectiveness of allocations³³:

- RC/HC has authority to determine priority activities for funding and submitting a consolidated action request, based on endorses the country-specific anticipatory action framework and the application package (comprising an application chapeau and agency-specific project proposals and budgets), to the Emergency Relief Coordinator (ERC).
- The ERC endorses the specific anticipatory action framework and the application package (this can be a pre-agreed endorsement).

- Activation of the pre-agreed trigger, usually linked to a probability threshold for a certain type of crisis to occur within a specific timeframe, as outlined by the specific activation protocol agreed in the development stages of the anticipatory action framework. The activation protocol should clearly define trigger thresholds, determine who monitors the trigger, and clarify who has the authority to certify that the trigger has been reached.

During the pilot phase, anticipatory action frameworks can be activated for a maximum of two years, following endorsement by the ERC. This means that funding from CERF can be released if trigger conditions are met within this period. The ERC sets a ceiling for the maximum automatic CERF payout over the two-year period for each framework, allowing up to two trigger events.

Existing frameworks can be grouped into two categories: sudden onset and slow onset.

What do they do?

- In 2021, CERF endorsed the development of anticipatory action frameworks in five countries (Bangladesh, Chad, Ethiopia, Malawi, Somalia) and one thematic area (cholera).
- In the same year, CERF subsequently endorsed the development of potential pilots in six additional countries: Nepal (floods), Philippines (cyclones), Madagascar (plague), Niger (drought), Burkina Faso (drought), South Sudan (floods).

So what?

This funding plays a central role in supporting innovative and coordinated anticipatory responses to humanitarian crises by facilitating the introduction and testing of these new approaches and frameworks. They can make the humanitarian system more responsive to predictable hazards that are expected to become more frequent due to climate change.

The fund has shown that multi-stakeholder and cross-sectoral anticipatory action works, ensuring time-critical actions can be initiated to save lives and limit costs, as reflected by an independent evaluation of the anticipatory cash transfer provided in Bangladesh in response to the forecast of extreme floods in 2020.³⁴

Going forward, the fund's priorities are to further mainstream anticipatory action into CERF's Rapid Response function and to explore options for sustaining and expanding the coordinated approach in the pilot countries, including with the support of other funding mechanisms.

► **Read more about this quality funding example: [External evaluation of anticipatory action in Bangladesh funded by CERF \(2021\)](#)**

4. The RCRC National Society development funds

What is it?

The International Red Cross and Red Crescent (RCRC) Movement continues to invest in RCRC National Societies, including through two development funds. Both channel quality funding towards the common goal of supporting the sustainable development of National Societies as national humanitarian responders and reinforcing them as strategic partners of the humanitarian system.

The first quality funding instrument reviewed here is the National Society Investment Alliance (NSIA), a joint venture between the International Federation of Red Cross and Red Crescent Societies (IFRC) and the International Committee of the Red Cross (ICRC). Launched in 2019, NSIA is a pooled funding mechanism that provides flexible, multi-year financing and support to National Societies. It aims to strengthen their capacity to deliver relevant and effective humanitarian assistance by investing in strategic priorities identified by the National Societies themselves, including in their Unified Plan.³⁵

The second quality funding instrument featured here is the IFRC's Capacity Building Fund (CBF). Established in 2000, it was relaunched in August 2021 to provide resources to address National Societies' development priorities in seven areas: integrity, transparency and accountability; financial sustainability; systems development and digital transformation; protection, gender and inclusion; youth engagement and development; volunteering development; and branch development.

Why and how?

The NSIA arose from commitments made by the RCRC Movement through the 2016 World Humanitarian Summit and the Grand Bargain to increase humanitarian funding to local and national responders. Unearmarked funding is provided to NSIA by government donors (from Canada up until 2022, and from Switzerland and the United States) and RCRC entities (Norwegian Red Cross, Netherlands Red Cross, IFRC and ICRC). RCRC National Societies in fragile contexts can apply for NSIA grants once a year and proposals are jointly assessed by the NSIA Office, IFRC and ICRC specialists, local delegations and the NSIA Working Group, all coordinated by the NSIA Fund Manager. Following funding decisions taken by the NSIA Steering Committee, the financing is disbursed to successful National Societies. NSIA provides two types of funding:

- **Accelerator funding:** up to CHF (Swiss francs) 1 million (US\$1 million) over a period of up to five years. This funding is more softly earmarked, with the areas of earmarking determined by the National Society's proposal. The proposal identifies expected outcomes and actions to achieve them, including a spending plan. Plans and budgets are reviewed by NSIA and the National Society at least once a year to identify any necessary adaptations.

- Bridge funding: up to CHF 50,000 (US\$51,000) for 12 months, to support the development of strategies for future investment from the NSIA or other sources. This funding is earmarked and is provided based on a budget and workplan.

NSIA focuses on National Societies in humanitarian risk contexts categorised as ‘very high’, ‘high’ and the higher tier of ‘medium’ risk, according to the independent INFORM index (a global risk assessment for humanitarian crises and disasters).³⁶ From 2019 to 2023, NSIA funded 65 initiatives to 51 individual National Societies. Of these, 19 funded initiatives are long-term accelerator investments.

To date, NSIA has allocated circa CHF 13.4 million (US\$ 14.9 million) to support the sustainable development journey of National Societies in fragile contexts. While National Societies identify their transformational priorities themselves, the majority (57%) consider financial sustainability through resource mobilisation their first priority, followed by branch development (12%) and governance (8%).

The CBF invests in critical areas of effective local humanitarian action (e.g. human and financial resources; the network of local branches; digital capabilities; and the regulations, policies and leadership needed to guide a strong organisation). National Societies face persistent underfunding for such development work. CBF invests in these areas – both at headquarter and local branch level – to address development priorities identified by applicant National Societies. There is a simplified application and approval process, proposals are accepted whenever there is a need (i.e. there are no fixed allocation periods) and each proposal is reviewed on its own merit. The number of applications that can be made by any given National Society is unlimited. The only requirement is to demonstrate achieved results and impact of previous investment before applying for the next grant. Each application is limited to a maximum of CHF 150,000 (US\$ 167,000). For well-prepared and comprehensive submissions, approval decisions are reached within an average of 11 working days.

What does it do?

The NSIA aims for National Societies to become more self-sufficient and sustainable, for example by diversifying and expanding their income. It provides recipients of accelerator funding with predictable funding through multi-year agreements. This allows them to invest in longer-term organisational development as opposed to short-term project implementation.

A unique feature of this funding is its focus on strengthening local organisational capacity and sustainability, which can be an area neglected by donors. The model of funding supports localisation commitments made through the Grand Bargain.

The NSIA team is committed to enhancing the impact of NSIA initiatives by supporting the National Societies with impact assessment framework instruments for better management of funding and with their direct engagement with donors.

The IFRC’s goal for the CBF is to ensure that every National Society has access to sufficient funding for institutional strengthening. This support allows them to maintain consistent humanitarian services and act as strong local humanitarian

actors. After successfully completing a CBF initiative, National Societies can apply again, using results from previous initiatives as evidence. From mid-2021 to the end of 2023, the CBF support reached 117 National Societies (out of 191 members) with a total funding of CHF 9.1 million (US\$ 10.1 million). Many National Societies have already accessed CBF funds for the second or third time. The IFRC has also allocated significant funds to the CBF with the objective of expanding the fund further.

So what?

Donors, the IFRC/ICRC and National Societies receiving accelerator funding all provided positive feedback on the NSIA, including on:

- The global coordination role that the IFRC/ICRC has taken
- The collaboration and sharing of knowledge across the movement to support societies wanting to improve their local capacity
- The cost-effectiveness of the programme and its ability to produce organisational improvements with relatively small investments
- The possibility for National Societies to fund key parts of their strategies and Unified Plans that would not normally be funded by other sources, contributing to preparedness.

Five years after implementation, the NSIA fund is making a positive impact. The Colombian Red Cross (CRC) leveraged NSIA investment to revise its fundraising strategy, and has subsequently raised CHF 385,000 (US\$ 428,000) since 2020. With over 3,000 donations and CHF 180,000 (US\$ 200,000) from local sources in 2022–2023, CRC has improved the delivery of aid delivery, as evidenced during La Niña floods. The Uganda Red Cross Society (URCS) increased revenue by 38% in 2023 through commercial first aid and ambulance services, supported by NSIA. About 3,000 community members were equipped with first aid skills, improving communities' emergency preparedness. Peer learning from other National Societies has enhanced URCS programmes, and the organisation itself has shared insights onto others, generating efficiency gains at zero costs.

Outcomes of CBF investments have been analysed and best practice identified for broader learning. The agility and accessibility of the financial mechanism itself have been commended by its recipients. The cost-effectiveness of the fund has been recognised for facilitating tangible organisational advancements while incurring minimal administrative costs.

Some CBF achievements include:

- The Ecuadorian Red Cross transformed its medical centres, improving and extending the quality of services provided to the community. As well as extending free healthcare to vulnerable populations, paid services are creating surpluses for local branches, strengthening their financial sustainability.
- The Lithuanian Red Cross Society used two rounds of CBF funding to develop its own website, including a donations page. The site allows people to register for first aid services, increasing income from these services by 10% in its first year of operation.

- Following a detailed assessment of its branches, the Syrian Arab Red Crescent developed a digital transformation roadmap. The aim is to create a unified and efficient digital system that supports its humanitarian services.

Challenges identified to expanding the RCRC National Society development funds include:

- Constrained and short-term funding from donors (both low volumes and a lack of multi-year funding)
- Organisational capacity being perceived as a less attractive cause to fund than other humanitarian activities.³⁷

The results achieved by the National Society development funds emphasise the cost efficiencies gained through enhanced operational effectiveness, highlighting the need for a narrative shift that recognises the added value of bolstering national actors' organisational capacity for the successful delivery of humanitarian services.

► **Read more about this quality funding example:** [Funds for National Society Development web page](#)

5. Spain's NGO Framework Agreements for immediate Emergency Assistance and sustained Humanitarian Action

What are they?

Framework Agreements for Emergency Assistance are four-year agreements between the Spanish Agency for International Development Cooperation (AECID) and specialised NGOs. The agreements provide multi-year programmatic support for sudden onset or protracted emergency responses to humanitarian crises and are currently in place with five NGOs.

There are two funding windows for NGOs to apply for those framework agreements: one for emergency assistance to fund short-term, immediate responses to sudden-onset crises, and, since 2022, one for a sustained humanitarian response to protracted crises. After a competitive selection process, the government and NGOs enter a multi-year agreement for annual funding over four years, currently averaging €3 million (US\$3.3 million) across the four years. The multi-year funding is flexible in scope and sectors of intervention, and local partners may support implementation.

In addition to funding for emergency assistance, the framework agreements provide a small, earmarked amount of core funding to the NGO. This can be used (as stated in the proposal) for purposes such as strengthening their own capacity or that of local partners.

For the 2022 – 2025 period, AECID provided for those framework agreements €15 million (US\$16.3 million) to 5 NGOs for immediate emergency responses and €18 million (US\$19.5) to 6 NGOs for sustained humanitarian action.

Why and how?

The agreements for immediate emergency assistance were established to overcome some of the bureaucratic difficulty in distributing funds to discrete projects in response to sudden-onset crises, while recognising that some NGOs had considerable capacity to respond to emergency situations.

When a crisis arises, NGOs can apply to AECID to use some of the pre-distributed funding to respond, called an ‘activation’. An official request is made through an online system but can be preceded by an email setting out the basic elements of the proposed response and the funding required. AECID must respond to the request within 72 hours and, if approved, the NGO can use the funds immediately. The initial request and approval are followed by a more detailed plan for using the funding, based on further information gathered since the initial request. The activities implemented through each activation last up to six months.

Within two months of finalising an activation, the NGO submits a report to AECID covering achievements and expenses. In addition, each year the NGO provides AECID with an annual report. If this is approved, the NGO then sets out a plan for the following year, and next annual tranche of funding is disbursed. If the full amount of funding for a year is not spent, it can be rolled over to the next year. If there are funds remaining at the end of the four-year agreement, and the agreement is being renewed, the outstanding funds can be transferred to the new agreement upon request to AECID.

The agreements for sustained humanitarian action agreements were established in 2022 to provide funding for longer-term interventions in protracted crises. It allows for larger programmes that follow a humanitarian–development–peace nexus approach with predictable funding over four years.

What do they do?

The framework agreements for immediate emergency assistance provide NGOs with predictable multi-year funding, while providing a mechanism for fast responses to humanitarian emergencies. To function effectively, they require a high level of trust and communication between the donor and recipient NGO. The core support in the agreements allows NGOs and their local partners to strengthen capacity and build teams with the security of multi-year funding, which in turn provides more effective responses to emergencies.

The framework agreements for sustained humanitarian action can support a humanitarian–development–peace nexus approach through strengthening local capacity or disaster risk reduction activities. The NGO application for this type of agreements must address how they will implement a nexus approach. One NGO with a current agreement, for example, works with and strengthens local health systems

when implementing emergency health responses. In practice, however, the implementation of a nexus approach can be limited due to the primary focus from NGOs needing to remain on humanitarian action, as opposed to development or recovery activities.

So what?

AECID and the Spanish Red Cross (the recipient NGO interviewed in 2020 for the original catalogue of quality funding practices), were very positive about the impact of the framework agreements. Benefits of the agreements include the following:

- They are bureaucratically light instruments.
- They provide NGOs with predictable funding for multiple years, allowing them to strengthen their capacity and respond more effectively to crises.
- Funding spent on capacity strengthening (even where limited) helps advance the localisation agenda.
- They allow Spain, as a relatively small humanitarian donor, to have a greater footprint by improving the effectiveness of its humanitarian funding by incorporating multi-year and capacity-strengthening characteristics.
- They allow Spain to complement the Spanish government's priority localisations for humanitarian assistance by targeting funding where it is most needed for emergency responses as identified by strategic NGO partners, in line with humanitarian principles.
- NGOs may use small activations as a form of initial funding for an emergency response, which can make it easier to get additional resources from other donors.

Challenges identified to expanding this programme or it being adopted by others include the following:

- The amount of funding provided to NGOs through these agreements is lower than during their inception. When the Spanish Red Cross first signed a framework agreement in 2006 the value was €10 million (US\$11 million) across four years; now it is €4 million (US\$4.4 million), up from €2.5 million in the 2018–2022 allocation. AECID aims to gradually increase funds and the number of NGOs financed (this went up from four in 2018–2022 to five in 2023–2026). The decrease since the first phase has had a significant impact on the activities it can implement and on the ability to strengthen the preparedness capacities of Red Cross and Red Crescent national societies.
- The initial application process can be intense, requiring the NGOs to meet certain criteria in terms of solvency, experience and certification by ECHO, as well as a multi-step process to provide a concept note and full proposals.
- While the agreements generally facilitate a rapid response, a lot of information may be required for an application to activate funding, particularly when NGOs may not have the full picture. This can delay an emergency response.
- Some administrative requirements are more suited to development interventions than emergency responses (e.g. annual planning documents

require detailed outlines on planned activities and spending, which is not always possible to forecast in emergency response contexts).

- A larger proportion of funding for capacity-strengthening and a greater focus on small- and medium-sized NGOs would help further the localisation agenda.

6. UNFPA Humanitarian Action Thematic Fund

What is it?

The Humanitarian Action Thematic Fund (HTF) for ‘Reproductive Health, Safety, and Dignity in Crises’ by UNFPA³⁸ pools financial contributions from governments and private donations to effectively enable UNFPA’s humanitarian action. It provides UNFPA with flexible, multi-year financing to rapidly respond to emergency situations and deteriorating crises, while providing funding to ensure continued delivery of services (both led by UNFPA and other partners) during financing gaps.

Through its expedited internal grants mechanism, the HTF supports regional and country programmes if their requirements are not met by bilateral funding agreements. The HTF thereby provides additional resources to underfunded humanitarian responses, focusing on preparedness actions and nexus programming, and on supporting the priorities set out in HRPs.

Why and how?

The HTF was launched by UNFPA in June 2018 to reduce recurrent humanitarian financing gaps for sexual and reproductive health and for the prevention of gender-based violence in crises. It also sought to support Grand Bargain commitments to efficiently and effectively finance humanitarian operations.

HTF funds are flexibly allocated to UNFPA country offices throughout the year, allowing the deployment and adaptation of resources when and where they are needed most.

The HTF promotes transparent, effective and inclusive programming with a broad range of local and national partners, including women-led organisations, ensuring that assistance is accessible for people in need of support.

The HTF continues to provide an opportunity for donors to support women and girls in emergencies while fulfilling the Grand Bargain commitments of increased multi-year funding and planning, flexible funding and simplified reporting requirements. It also supports localisation through its support of national women-led or women’s rights organisations.

What does it do?

Government and private donors usually provide multi-year contributions to the HTF, which in turn allocates to humanitarian response, emergency preparedness, anticipatory action and nexus programming. It provides four kinds of funding:

- Funding to act as a catalyst for an emergency response. This is allocated at the beginning of a crisis (or during the deterioration of a crisis) through an accelerated grant allocation process, and provides flexibility to respond to unforeseen and emerging crises.
- Funding to underfunded responses. This is allocated to country offices during a humanitarian response that clearly evidences existing humanitarian need and a funding shortfall.
- Funding to maintain humanitarian operations until bilateral funding arrives. This is allocated to country offices where needed as bridge funding.
- Funding for preparedness and longer-term solutions to crises. This is allocated to transition from humanitarian action to sustainable crisis recovery, resilience strengthening and the realisation of development opportunities.

All HTF funding is earmarked for humanitarian purposes, although UNFPA has full flexibility on which humanitarian crisis responses to fund. To UNFPA's Humanitarian Office, contributions to the HTF are therefore considered as unearmarked.

HTF allocations to humanitarian interventions follow an established workflow and quality assurance mechanism whereby UNFPA country offices submit short proposals that are assessed by technical experts. All funding is currently provided up-front and in the form of grants. It is flexible in terms of timing and can be across years based on needs. Upon receipt of the funds, country offices are able with brief explanation to move funds between budget lines, years and geographic areas.

Thematically, the HTF covers the full spectrum of UNFPA's humanitarian activities across areas of response, preparedness and the humanitarian–development peace nexus. Supported thematic areas include sexual and reproductive health, gender-based violence and mental health. In line with UNFPA's mandate, the targeted population groups are women and girls, young people, people with disabilities and other groups who are marginalised and affected by crisis.

So what?

Some reported benefits of the HTF are:

- Pooling of flexible donor contributions allows UNFPA to quickly channel funding to areas of UNFPA's humanitarian response that are underfunded, facing unforeseen and emerging threats or need to adapt rapidly to changing priorities. This elevates the importance of the HTF in UNFPA's responses.
- The HTF allows donors to advance their Grand Bargain commitments by providing multi-year and flexible funding that enables UNFPA and its partners to respond more effectively to crises.

- Strengthened quality assurance through a robust internal workflow of proposal and allocation review by thematic experts ensures effective implementation and monitoring.
- Transaction costs, which are usually associated with individual management of grants, are reduced through a simplified internal reporting process, which is also reflected in a reduced indirect cost rate of 7% instead of 8% for contributions to the HTF.
- The reporting process of the HTF to donors is harmonised through a multi-donor annual progress report, alongside active channels of communication on key issues as appropriate.

Challenges identified to expanding this fund or it being adopted by others include:

- Preferences by some donors to fund humanitarian crisis response in specific countries of their choosing directly through bilateral agreements;
- Soft earmarking of HTF contributions by bilateral donors; and
- Existing incentives for country offices to secure bilateral funding agreements possibly compete with the goal of increasing funding to the HTF from the same donors.

► **Read more about this quality funding example:** [UNFPA HTF web page](#)

7. Programme Based Approach

What is it?

The programme-based approach (PBA) entails funding that can flexibly be used for humanitarian country programmes as opposed to being earmarked to specific projects. It is provided by the Swedish International Development Cooperation Agency (Sida) or the Norwegian Ministry of Foreign Affairs (NMFA) to selected NGO partners in line with their goals around flexibility of funding in the Grand Bargain. This type of PBA support represented around 21% of Sida's total humanitarian funding in 2023, and over 40% of the funding provided to civil society organisations.

The funding still counts as earmarked under the Grand Bargain definitions given it can flexibly be used within a country context, but according to the feedback received from partners, offers considerable and valuable flexibility for their operations. In particular, partners noted that the model allows them to respond more quickly to rapidly evolving needs, provide more flexible funding to local partners and cover underfunded components of their multi-sectoral approaches. While already generating multiple benefits, the full efficiencies that the approach could deliver will not be unlocked unless other donors fund the same country programmes with similar levels of flexibility, which has not yet been the case.

Why and how?

Programme-based funding is relatively common among development actors but has only been piloted as flexible, unearmarked funding for humanitarian response by Sida and the Norwegian Ministry of Foreign Affairs (NMFA) and the Norwegian Refugee Council (NRC) since 2017 to increase the quality of funding in line with Grand Bargain commitments. Sida expanded the pilot to provide PBA funding to the International Rescue Committee (IRC) and Action Against Hunger (Action contre la Faim, ACF) in 2018 and has since adopted the PBA as a funding mechanism, extending it to four additional strategic partners. The NMFA offered partners the opportunity to apply programme-based approaches within their new partnership agreements contracted in 2020. Since 2022, Sida has introduced multi-year PBA funding in some contexts, while the NMFA PBA has always been multi-year.

Organisations can in principle submit their country programme strategies and budgets in lieu of formal tailored proposals, simply indicating the percentage contribution to the whole programme budget they seek.

What does it do?

The idea of the PBA is to support the delivery of programme-based humanitarian responses within a given crisis context, that may include an integrated package of activities across a variety of sectors and themes, and to support the use of existing partner systems, tools and approaches.

The PBA is flexible by design and enables organisations to target funding according to their own prioritisation in-country and to follow a more strategic and needs-based approach. Partners may shift funding towards new priorities or budget lines without needing to request a formal amendment, so long as the priorities fall within the scope of the agreed country programme.

Partners may for example prioritise underfunded areas and sectors, respond rapidly to unforeseen needs and bridge gaps in their earmarked funding.

The Sida and NMFA PBAs also support the use of their partners' existing reporting systems, reducing the bureaucratic burden. PBA partners are allowed to use their own formats for submissions of narrative and financial reporting, with the aim of making it easier for other donors to fund the same programmes without additional reporting burdens on the partners.

So what?

The NMFA, Sida and their NGO partners NRC, IRC and ACF, who have been part of the funding mechanism since 2020, all had positive feedback on their experiences of PBA funding to date, which is also supported by independently generated evidence,³⁹ including the following:

- PBA funding enables a timely and needs-based response, allowing partners to adapt to changing priorities and opportunities and to target underfunded and overlooked needs.

- PBA funding supports a more accountable response, allowing partners the flexibility to adapt targeting and programming based on feedback from affected populations and partners and on monitoring information.
- A more needs-based and accountable response contributes to strengthened relationships of trust with communities and local authorities.
- PBA funding allows partners to build a more coherent and strategic response, and to stand up new initiatives and innovative approaches.
- There are substantial administrative efficiency gains for both donors and recipients, notably in reduced grant amendments.
- PBA funding has enabled organisations to bridge smooth funding gaps in their earmarked funding, in some cases helping to avoid closing activities and offices.
- The PBA has strengthened relationships between donors and their partners as it relies on trust and not control, and dialogue is noted to be franker and more strategic.

Challenges identified to expanding this programme or it being adopted by others include the following:

- Not all NGOs are set up to design, deliver, monitor and report at country programme level, rather than at project level, and adapting systems and strengthening capacity to work at programme level requires financial investment and time. This especially applies for the establishment of new PBA partnerships.
- The funding context influences the impact of PBA. For instance, if most funding for an NGO's country response is provided through funding earmarked to specific projects and only a small share through PBA, the benefits of the PBA's flexibility are limited.
- The bar for entry is relatively high and, so far, partners selected for PBAs have been international actors with long-established relationships with donors.
- The PBA offers donors far less control, including opportunities to target funding towards their policy priorities.
- The PBA poses challenges for donors wanting a clear line of sight between their funding and results that can be attributed specifically to their funding alone.

► **Read more about this quality funding example:** [Study on lessons from the programme-based approach \(2020\)](#)

8. Programmatic Partnerships

What is it?

Programmatic Partnerships⁴⁰ are one of the funding instruments developed by the European Commission's (EC) Directorate-General for European Civil Protection and

Humanitarian Aid Operations (DG ECHO). It aims to provide quality funding with a longer timeframe to its partners that seeks to increase efficiency and effectiveness of humanitarian action in the spirit of the Grand Bargain commitments. Programmatic Partnerships have been piloted by the DG ECHO since 2018 and were rolled out more widely by mainstreaming the model in 2023 in geographic Humanitarian Implementation Plans (HIP) based on positive lessons learnt.

Why and how?

DG ECHO developed Programmatic Partnerships in response to Grand Bargain commitments on quality funding. Its aims were to develop a strategic partnership model with a longer timeframe that would enable its partners to increase their efficiency and effectiveness. ECHO's programmatic partners are intended to benefit from more predictable and flexible funding and simplified reporting to be more accountable to affected populations and to share the benefits of that funding with their local partners.

DG ECHO launched its first multi-year pilot Programmatic Partnership with ICRC in 2018, covering five countries in the Middle East. In 2020, it signed a three-year pilot Programmatic Partnership with ACTED (Agency for Technical Cooperation and Development) that covered seven countries in Africa and two in the Middle East, and another with CONCERN that covered five African countries. This was followed by three additional partnership agreements with two other NGOs (the International Rescue Committee and Save the Children Denmark). The annual financial envelope for these pilot programmes with NGOs ranges from EUR 5–15 million (US\$5.5–US\$17 million).

In terms of its partnerships with UN and international RCRC Movement organisations, DG ECHO also launched three-year programmatic partnerships with UNICEF, FAO and IFRC in 2021 (combined total of EUR 67 million per year). In 2022, DG ECHO entered another three-year programmatic partnership with ICRC (EUR 10 million per year) following the initial pilot as well as with OCHA (EUR 16 million per year).

In 2023 and following positive results from an internal lessons learnt exercise, 12 new programmatic partnership agreements were rolled out, half of which were with NGOs. Partners can apply for programmatic partnerships with DG ECHO or ECHO staff might suggest this option to partners if their proposal is suitable.

Programmatic Partnership agreements are made between DG ECHO and a partner (or consortium of partners) and are multi-year; ranging from a minimum of 24 months to maximum of 48 months. Funding can be awarded in full during the first year of the partnership (multiyear funding) or it can be awarded in stages through successive commitments of at least 12 months. A combination of both is also possible within the same agreement (e.g. staged funding of 1 year + 1 year + 2 years for a four-year agreement). For staged approaches, DG ECHO sends a letter of intent to the partner to capture the shared understanding of the multiannual operation. The timeframes of funding provided by DG ECHO to this operation then depends on the partner's activities' achievement and on DG ECHO's budget.

What does it do?

Given the longer timeframe of the Programmatic Partnerships and their strategic nature, they tend to focus on strategic, sectoral or geographic priorities that are of interest to both DG ECHO and its partners. The partnerships are intended to more effectively achieve their desired outcomes compared to successive – but distinct – annual projects and demonstrate the other benefits of their proposed multiyear strategies in terms of efficiency gains through economies of scale or a reduced administrative burden. The longer-term perspective was designed to allow partners to build more trust with local communities and partners, to pilot innovative approaches, and to embrace linkages across the humanitarian-development-peace nexus.

In the case of multiyear funding, the advantage of the longer funding timeframe should be passed onto local NGO partners, including the sharing of indirect support costs.

Programmatic partnerships can cover multiple countries (for example, the Programmatic Partnership between DG ECHO and IFRC covers 24 countries). In such cases, a shift of funding between countries within an agreed budgetary percentage can be agreed.

The reporting on programmatic partnerships should be based on the 8+3 template in line with Grand Bargain commitments on harmonised reporting. Interim reports – usually covering 9–12 months of implementation – are more outcome- than output-focused to allow DG ECHO and its partners to assess progress made towards the expected long-term outcomes.

So what?

The lessons learnt exercise carried out by DG ECHO to take stock of the piloted Programmatic Partnerships found the model to have the following benefits:

- More opportunities for good practice and learning to be exchanged, given that a single partnership agreement can cover many countries and encourages exchanges between them.
- The longer partnership timeframe allows partners to implement more time-consuming strategies and to generate economies of scale.
- The outcome-driven log-frame allows more flexibility in terms of adapting programmes to unexpected changes in the context.
- Strengthened interaction between DG ECHO and partner NGOs at headquarters and field level aligns the respective response strategies and priorities and leads to more exchanges on technical issues of common interest (e.g. greening humanitarian responses, innovative financing, nexus or digitalisation).
- There are administrative efficiency gains for both donors and recipients, notably in the reduced staff time spent on grant management or amendments given the longer time horizons of partnership agreements. This includes simplified reporting and the opportunity to test the 8+3 reporting template.

Challenges identified in the pilot Programmatic Partnerships include the following:

- A heavy selection process that was perceived as disconnected from the normal Humanitarian Implementation Plan selection process.
- Complex communication channels with different levels of engagement.
- Lack of ownership of new partnership models by field offices on the part of DG ECHO and its partners, as the process was perceived as driven from headquarters.
- Lack of clear guidance from the outset
- Given the large volumes of funding granted annually, this type of funding primarily reaches large INGOs, UN agencies and the ICRC or IFRC (for example, DG ECHO's support for the IFRC's Disaster Relief Emergency Fund).

► **Read more about this quality funding example:** [DG ECHO Programmatic Partnerships web page](#)

9. Concertación Regional para la Gestión de Riesgos (Consultative Group on Risk Management)

What is it?

The Concertación Regional para la Gestión de Riesgos (Consultative Group on Risk Management, CRGC) is an autonomous Central American initiative to manage and respond to disasters made up of more than 130 civil society organisations and governed by National Risk Management boards in Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica. Funded by the Bill & Melinda Gates Foundation and the Hilton Foundation, in 2022–2023 the CRGC was able to invest over US\$2.6 million in pre-positioned funds to support emergency responses to volcano eruptions, food insecurity and tropical storms across the region, benefitting over 49,000 people in 265 communities.

Why and how?

The CRGC gives local actors in the five Central American countries greater access to disaster response funds and supports their efforts towards strengthened resilience in the communities that they support. CRGC funds are disbursed in the following way:

- Six selected organisations can administer the funds to 130 members (civil society organisations)
- Every two years the governance responsibility rotates. The six governing organisations review alerts, which are based on risk assessment and submitted by member organisations, allowing the funds to be pre-positioned and then released when needed immediately after the disaster strikes. A technical team also supports the monitoring of these alert notes and use of funds.

- Anticipatory action processes are in place, with alert notes to act in advance of a crises when a threshold of risk is met and an alert triggered.

What does it do?

In 2022 and 2023, the CRGC's pre-positioned fund has provided humanitarian response (due to eruptive activity of the Fuego Volcano) and support to food insecurity crises (due to tropical storms Bonnie and Celia, and hurricane and tropical storm Julia). The fund has been used for water, sanitation and hygiene promotion, education, food security and livelihoods, nutrition, protection (including protection from gender-based violence), shelter distribution and cash transfers.

So what?

Based on internal review, the CRGC has generated the following benefits for participating organisations and affected communities:

- Efficiency: coordinated responses through local frontline organisations with pre-positioned funds led to efficiency gains.
- Capacity strengthening: the fund has increased the visibility and responsibility of local actors, who strengthened their capacity through their greater leadership in monitoring events, early warning systems, evacuations, emergency care and rehabilitation of livelihoods for communities at risk.
- Accountability: Guidelines for the use of pre-positioned funds, forms and tools approved by the Regional Executive Committee for CRGC, have led to improved transparency and accountability mechanisms for local actors with affected communities during to disaster responses.
- Advocacy: The CRGC enables better collaboration across member organisations and with international networks to contribute to national and regional advocacy initiatives on improved disaster risk reduction and emergency management.

► Read more about this quality funding example: [CRGC web page](#)

10. The NEAR Change Fund

What is it?

The Change Fund is a locally led, global humanitarian response mechanism established by the Network for Empowered Aid Response (NEAR) with support from the Hilton Foundation.⁴¹ The mechanism aims to localise aid responses and ensures that local organisations can access funds to respond to emergencies quickly, efficiently and cost-effectively. This quick allocation of funding to frontline L/NGOs that are directly responding to worsening humanitarian conditions in their communities is enhanced by locally rooted early warning mechanisms, simplified grant-making processes and a community-first approach.

Why and how

The Change Fund was launched in 2022 with the recognition that local actors are best positioned to deliver aid but are often under-resourced and unrecognised by the international aid system. As a locally managed response fund, exclusively for local or national organisations, it seeks to address this challenge by promoting local leadership, strengthening resilience and support sustainable solutions to humanitarian crises.⁴²

The Change Fund is led by a Fund Manager, who is supported by an Oversight Body (OB), which comprises of NEAR member organisation and other local network representatives from Asia and the Pacific, Africa, the Middle East, and Latin America and the Caribbean.

The OB is selected by NEAR members. It is mandated to review and determine crisis alerts in the priority countries and disburse funds. Once a crisis response by the Change Fund is activated, pre-approved members from that country can apply for grants ranging from \$150,000 to \$250,000.

Pre-approved members have completed an organisational registration and financial checks before an emergency is declared. Funds can be granted within eight days of an acute crisis being declared. There is a two-week window to start implementing the activities agreed in the proposal.

The Fund monitors the humanitarian situation worldwide, with a focus on 27 priority countries, scanning for emerging humanitarian crises and to correctly classify the stages of these emergencies.⁴³ It produces a Weekly Humanitarian Crisis report for the Fund Manager and OB, which informs funding decisions.

What does it do?

Since the end of March 2022, the Change Fund has successfully awarded US\$1.49 million to 10 NEAR member organisations in eight countries. The grants were used for humanitarian response projects that reached over 80,000 affected people. It has also worked with local partners to deliver relevant and timely humanitarian assistance to affected populations in eight humanitarian crises who otherwise would have been unlikely to receive support.⁴⁴

The Change Fund has a simplified grant-making processes to ensure that local organisations can access funding more quickly and efficiently. The Fund's community-first approach seeks to achieve ownership by and accountability to people affected by crises. The core of its ambition is to take the top-down humanitarian and development system and reshape it into one that is locally driven and owned, and built around equitable, dignified and accountable partnerships.

So what?

The Hilton Foundation's grant to the Change Fund has been transformative for NEAR members and potentially for the humanitarian sector. The commitment that the Foundation demonstrated in supporting NEAR's vision (at a time when donor rhetoric far outpaced donor action) was important, as financial support for a new and untested pooled fund with ambitions to attain global reach carried with it significant risk. A recent evaluation⁴⁵ found positive outcomes for the assistance supported by the Change Fund:

- The model of localised delivery of assistance contributed to the relevance of the assistance.
- Decision-making and fund management processes were timely and agile. Across the 10 projects funded, all of the grants were approved within 72 hours of the declaration of a crisis and within 48 hours of receipt of applications.
- The Fund has delivered impact in protracted crises that have been less visible and more complex to address than other crises that have drawn more attention and funding. It was able to balance the conflicting requirements of relevance and timeliness, delivering effective programmes to fragile contexts where needs were increasing for communities, such as Somalia, Afghanistan, South Sudan and the Democratic Republic of the Congo.

Some challenges in the scale up of this fund include:

- Grantees have found it a challenge to meet the two-week implementation target.
- Despite quick approval, project delivery was sometimes delayed by challenges relating to procurement, staff recruitment, complicated bureaucracy in the geographical areas targeted and struggles to transfer funds to partners.
- Accountability to affected populations was hindered by the rapid nature of response assessments and short project timeframes – neither were conducive to high levels of participation from affected communities.

► **Read more about this quality funding example:** [Web page of the NEAR Change Fund](#)

11. The Human Mobility Hub

What is it?

The Human Mobility Hub is an NGO-led financing mechanism established by the Norwegian Refugee Council (NRC) to foster a network of empowered communities and partnerships that protect the rights and dignity of people on the move and those hosting them.⁴⁶ The Hub supports and connects a range of local partners in Tunisia and Egypt – including NGOs, CSOs and refugee- or migrant-led organisations – that

provide assistance to people on the move. It aims to be an innovative platform, finding solutions that address (legal) protection gaps for people on the move by supporting and connecting local responders. As of early 2024, the Human Mobility Hub has a budget of around US\$3.5 million thanks to funding from a range of private and institutional donors, 70%–75% of which it passes onto its local and national partners.

Why and how?

The Human Mobility was launched in January 2023 to address the needs of vulnerable people on the move in the North of Africa (Egypt, Tunisia and Libya). This covers internally displaced people, migrants, refugees and asylum seekers, all of whom share similar challenges and often do not receive sufficient legal protection or basic services. It provides subgrants and other forms of support to a network of local actors in the region, many of which are unable to access funding from other international sources. The funding and capacity-sharing provided by the Hub allows partners to access populations and locations that international organisations cannot. The networked response model connects local actors for a more integrated and localised response to meet the needs of people on the move. It also stimulates peer learning and regional exchanges while drawing on experiences and expertise from other regions, including many people on the move's countries of origin.

The Hub represents a shift away from NRC's usual operational model – which focuses primarily on the direct delivery of assistance to affected populations – towards enabling and strengthening partners' responses, particularly refugee- or migrant-led initiatives. This shift required the development and application of new partnership models and processes, including the NRC's first instance of providing microgrants of up to EUR/US\$10,000 to local partners, later revised up to EUR/US\$25,000 based on partners' feedback.

The way the Human Mobility Hub structures its project proposals to institutional donors enables the co-design of projects with partners based on their expertise and vulnerable population's needs, while also maintaining a level of flexibility to readjust activities to emerging needs or contexts. All projects contain implementation, capacity-sharing and meaningful participation components, even earmarked contributions and emergency response projects.

What does it do?

The Human Mobility Hub acts as an enabler for local and national responses by supporting a network of local actors that work to meet the protection needs of people on the move. The Hub flexibly co-designs supported activities with its local partners to respond appropriately to the complexities of human mobility in the region based on the partner's expertise and the identified response gap. The type of support and volume of funding provided to partners depends on their organisational needs and maturity. The Hub sees itself not as donor, but as contributing part of a network of regional actors that share knowledge, capacity and funding opportunities to

collaboratively address the protection needs of people on the move. The timeframe of funding provided to the Hub's partners matches that of the funding received by the Hub from its donors and can be multiyear. Over 20 subgrants have been implemented so far, contributing to a better protective environment of people on the move in Tunisia, Egypt and – to a lesser extent – Libya.

The Hub manages to maintain its flexible operating model and low overheads – resulting in a greater proportion of funding being passed onto local partners – by sharing support staff with NRC country offices in the region and NRC's Middle East and North Africa Regional Office.

The flexibility provided to the Hub's partners also extends to reporting on supported activities. The Hub tailors its reporting needs to indicators that are already monitored by its partners to the greatest extent possible and offers ongoing capacity-sharing on financial reports, compliance, monitoring and evaluation, and learning, where necessary.

So what?

An internal lessons learnt exercise on the Hub's pilot phase identified the following positive outcomes:

- The microgrant process is paving the way for a graduation to partnership agreements for larger volumes of funding for L/NNGOs through capacity-strengthening. Previously, these would have been inaccessible due to the heavier due diligence requirements.
- Partners welcomed the flexibility provided by the Hub, both in terms of the forms of support provided and the types of supported activities.
- L/NNGOs supported by the Hub felt better connected to their peers and more engaged in coordination processes.
- The partners surveyed felt that they were able to achieve better outcomes for people on the move through their partnerships with the Hub.

The internal review also uncovered areas for improvement that are being addressed as the Hub consolidates its activities following its pilot phase:

- The Hub needs to balance its more agile approach – which enables it to be more flexible – with NRC's standard processes. During early engagement, this approach sometimes reduced partners' clarity on NRC's expectations, processes and timeframes.
- The Human Mobility Hub does not currently involve L/NNGOs in its governance. NRC is exploring possibilities of how to change the governance setup based on its partners' feedback and has co-designed its 2024 strategy with HMH partners.
- Partners have requested longer-term funding and faster graduation from microgrants. However, the predictability of the Hub's received and provided funding is not yet a given as it was only launched recently. This will hopefully improve as the Hub consolidates its activities and funding base following the pilot phase.

► Read more about this quality funding example: [NRC Human Mobility Hub webpage](#)

Endnotes

¹ Outcome Report – Progress Acceleration Workshop: Enhanced Quality Funding through Reduced Earmarking, Multi-Year Planning and Funding, 28 October 2019, <https://interagencystandingcommittee.org/grand-bargain/outcome-report-progress-acceleration-workshop-enhanced-quality-funding-through-0>

² Grand Bargain beyond 2023, 2 June 2023, <https://interagencystandingcommittee.org/system/files/2023-06/Grand%20Bargain%20beyond%202023%20-%20Framework.pdf>

³ This definition is in line with the OECD definition and guidance developed by the Grand Bargain Enhanced Quality Funding Workstream in 2020, accessible at: <https://interagencystandingcommittee.org/system/files/2020-04/Multi-year%20and%20flexible%20funding%20-%20Definitions%20Guidance%20Summary%20-%20Narrative%20Section%20January%202020.pdf>

⁴ Accessible at: https://interagencystandingcommittee.org/system/files/grand_bargain_final_22_may_final-2_0.pdf

⁵ In the case of UN agencies with a dual mandate across development and humanitarian goals – such as UNICEF or WFP – this type of funding would not be considered core funding as it is very softly earmarked to the humanitarian part of the mandate.

⁶ These implementing partners include other UN agencies, international NGOs, and local and national actors as defined by the Grand Bargain Localisation Workstream. These definitions are accessible at: https://interagencystandingcommittee.org/system/files/categories_for_tracking_direct_as_possible_funding_to_local_and_national_actors_003.pdf

⁷ The Grand Bargain – a shared commitment to better serve people in need, 2016, p. 12, https://interagencystandingcommittee.org/system/files/grand_bargain_final_22_may_final-2_0.pdf

⁸ These implementing partners include other UN agencies, international NGOs, and local and national actors as defined by the Grand Bargain Localisation Workstream. These definitions are accessible at: https://interagencystandingcommittee.org/system/files/categories_for_tracking_direct_as_possible_funding_to_local_and_national_actors_003.pdf

⁹ Structured dialogue on financing the results of the UNICEF Strategic Plan 2018–2021 (UNICEF’s Executive Board, Second Regular Session 2018, Item 5 of provisional agenda – 7 August 2018), www.unicef.org/about/execboard/files/2018-EB9-Structured_Dialogue_SP-2018.08.07-EN.pdf

¹⁰ Crisis modifiers are designed to be ring-fenced budget contingency lines, built into existing multi-year grants. These are set up to be released when agreed early warning triggers of emerging crises are met. The funding flows to early action activities to mitigate the crisis and/or provide a vital bridge until a humanitarian response arrives. For more information, see Start Network’s review of them - <https://startnetwork.org/learn-change/news-and-blogs/three-problems-crisis-modifiers-and-one-potential-solution>

¹¹ IBEX Associates, 2022. DRA External Evaluation – December 2021 to June 2022. Available at: https://dutchrelief.org/wp-content/uploads/2023/01/DRA_External_Evaluation.pdf

¹² See endnote 12.

¹³ UNHCR, Funding Update 2023 – Accessible here: <https://reporting.unhcr.org/global-funding-overview-2023>

¹⁴ Government of Canada, International Humanitarian Assistance – Funding Application Guidelines for Non-Governmental Organizations, Accessible here: https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/response_conflict-reponse_conflits/guidelines-lignes_directrices.aspx?lang=eng

¹⁵ Food consumption categories are internationally recognised as ‘poor’, ‘borderline’ or ‘acceptable’ based on household caloric availability.

¹⁶ Examples of negative coping strategies are defined here: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC10131152/#:~:text=These%20include%20eating%20less%20expensive,mental%20health%20is%20less%20documented>

¹⁷ National or local actors are of two types: (1) Local and national non-state actors are “organisations engaged in relief that are headquartered and operating in their own aid recipient country and which are not affiliated to an international NGO. They include NNGOs, LNGOs, Red Cross/Red Crescent National Societies and local/national private sector organisations. (2) National and sub-national state actors are state authorities of the affected aid recipient country engaged in relief, whether at local or national level. They include national and local governments. For more information see [IASC Definitions Paper, Humanitarian Financing Task Team, Localisation Marker Working Group – 24 January 2018](#)

¹⁸ ODI and Development Initiatives, 2023. The failure to fund refugee-led organisations. Available at: <https://devinit.org/resources/the-failure-to-fund-refugee-led-organisations/>

¹⁹ More information on the ToGETHER Programme is available at: https://together-for-localisation.org/wp-content/uploads/2024/04/Case-study_ToGETHER.pdf

²⁰ Trócaire, 2023. Pre-positioned funding as an approach to advance localisation and locally led humanitarian action. Available at: <https://www.trocaire.org/documents/pre-positioned-funding-as-an-approach-to-advance-localisation-and-locally-led-humanitarian-action/>

²¹ For a comparison of governance models of different pooled funds, please refer to ICVA’s comparative study, available at: <https://www.icvanetwork.org/resource/pooled-funding-models-governance-systems-a-comparative-study/>

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- ²² Global Mentoring Initiative, 2023. Start Fund Localisation Pilot – External evaluation. Available at: <https://startnetwork.org/learn-change/resources/library/start-fund-localisation-pilot-external-evaluation>
- ²³ Start Network, 2022. Findings from the Global Start Fund 2021–2022 Evaluation. Available at: <https://startnetwork.org/learn-change/resources/library/findings-global-start-fund-2021-2022-evaluation>
- ²⁴ Structured dialogue on financing the results of the UNICEF Strategic Plan 2018–2021 (UNICEF’s Executive Board, Second Regular Session 2018, Item 5 of provisional agenda – 7 August 2018), www.unicef.org/about/execboard/files/2018-EB9-Structured_Dialogue_SP-2018.08.07-EN.pdf
- ²⁵ OCHA, Country-Based Pooled Funds 2022 in Review. Accessible at: <https://www.unocha.org/publications/report/world/country-based-pooled-funds-2022-review>
- ²⁶ Real-time updates of funding to and provided by the CBPFs can be found at: <https://cbpf.data.unocha.org/>
- ²⁷ OCHA, Country-based Pooled Funds 2022 in Review, accessible at: <https://www.unocha.org/publications/report/world/country-based-pooled-funds-2022-review>
- ²⁸ OCHA, Country-based Pooled Funds Global Guidelines, 2023. Accessible at: <https://reliefweb.int/report/world/country-based-pooled-funds-global-guidelines-enar>
- ²⁹ OCHA, Country-based Pooled Funds 2022 in Review, accessible at: <https://www.unocha.org/publications/report/world/country-based-pooled-funds-2022-review>
- ³⁰ OCHA, OCHA Evaluation of Country-Based Pooled Funds Global Synthesis Report, November 2019. Accessible at: www.unocha.org/themes/evaluations-and-reviews/reports
- ³¹ Accessible at: <https://pooledfunds.impact.unocha.org/>
- ³² Risk-informed Early Action Partnership’s Glossary of Early Action Terms, 2022 – Accessible here: https://www.early-action-reap.org/sites/default/files/2022-10/REAP_Glossary%20of%20Early%20Action%20terms_2022%20edition_FINAL.pdf
- ³³ CERF Anticipatory Action, November 2021 – Accessible here: <https://cerf.un.org/sites/default/files/resources/211117%20CERF%20Anticipatory%20Action.pdf>
- ³⁴ Pople, A., Hill, R. V., Dercon, S., and Brunckhorst, B. (2021) ‘Anticipatory Cash Transfers in Climate Disaster Response’. Available at: https://static1.squarespace.com/static/61542ee0a87a394f7bc17b3a/t/61b9bec86ba2e76d344f8b63/1639562959520/FINAL%2BAnticipatory_Cash_Transfers_in_Climate_Disaster_Response%2B%28for%2BWP%29%2BF3.pdf
- ³⁵ Unified Plans from Red Cross and Red Crescent National Societies are available online here: <https://www.ifrc.org/ifrc-network-country-plans>
- ³⁶ The INFORM Risk index is available at: <https://drmkc.jrc.ec.europa.eu/inform-index/INFORM-Risk>

³⁷ IFRC's Capacity Building Fund Report 2021-2022, Accessible here:
<https://www.ifrc.org/document/capacity-building-fund-report-2021-2022>

³⁸ For more information, see UNFPA's Humanitarian Thematic Fund 2022 Annual Report. Accessible here: <https://www.unfpa.org/sites/default/files/pub-pdf/2022%20Humanitarian%20Thematic%20Fund%20Report.pdf>

³⁹ Poole, L., 2020. The Programme Based Approach: 10 lessons. Available at: <https://www.nrc.no/globalassets/pdf/reports/the-programme-based-approach/10-lessons-pba-funding-nrc-july-2020.pdf>

⁴⁰ More information on programmatic partnerships compiled by DG ECHO, including guidance for ECHO's partners, is available on: <https://www.dgecho-partners-helpdesk.eu/programmatic-partnership/programmatic-partnership>

⁴¹ The Change Fund, Network for Empowered Aid Response (NEAR). Accessible at: <https://www.near.ngo/the-change-fund>

⁴² The Change Fund, Network for Empowered Aid Response (NEAR). Accessible at: <https://www.near.ngo/the-change-fund>

⁴³ Reliefweb, News and Press Release – “NEAR launches its innovative change fund and awards first grants to countries in crisis” <https://reliefweb.int/report/south-sudan/near-launches-its-innovative-change-fund-and-awards-first-grants-countries-crisis#:~:text=Through%20its%20global%20Change%20Fund,South%20Sudan%2C%20Somalia%20and%20Afghanistan>

⁴⁴ Hilton Foundation Disaster Relief and Recovery Portfolio Evaluation, “Change Fund Final Case Study Report”, Andy Featherstone and Julieta Calcopietro, October 2023

⁴⁵ Hilton Foundation Disaster Relief and Recovery Portfolio Evaluation, “Synthesis Report”, Tasneem Mowjee, Becka Kindler, Andy Featherstone, Charlotte Lattimer and Julieta Calcopietro

⁴⁶ NRC's Human Mobility Hub's information. Accessible at: <https://www.nrc.no/countries/africa/nrc-in-libya/human-mobility-hub/>