

Guidance note for donors

**Promoting inclusive and locally-led action  
through humanitarian pooled funds**

November 2024

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## List of acronyms

AFNS	Aid Fund for Northern Syria
BFCM	Beneficiary feedback and complaints mechanism
CBPFs	Country-Based Pooled Funds
CORE	Community Resilience Fund
CRGR	Regional Concertation for Risk Management
CSO	Civil society organisations
DREF	IFRC Disaster Relief Emergency Fund
GRF	Global Resilience Fund
IASC	Inter-Agency Standing Committee
ICR	Indirect cost recovery
ICVA	International Council for Voluntary Agencies
IDP	Internally displaced person
IFRC	International Federation of Red Cross and Red Crescent Societies
LHDF	Lebanon Humanitarian & Development NGOs Forum
LHF	Lebanon Humanitarian Fund
LHP	Local humanitarian partners
L-HUB	WPHF Global Learning Hub
LIFT	Livelihoods and Food Security Fund for Myanmar
LNA	Local and national actors
NEAR	Network for Empowered Aid Response
OB	Oversight body of NEAR's Change Fund
OPDs	Organisations of people with disabilities
PAG	The Advisory Group of the CBPF-NGO Dialogue Platform
PFWG	Pooled Fund Working Group
PSEAH	Prevention of sexual exploitation, abuse and harassment
RLOs	Refugee-led organisations
RRLI	Resourcing Refugee Leadership Initiative
SHF	Sudan Humanitarian Fund
UHF	Ukraine Humanitarian Fund
WHRDs	Window for Women Human Rights Defenders
WLOs	Women-led organisations
WPHF	United Nations Women's Peace and Humanitarian Fund
WROs	Women's rights organisations

## Introduction

This Guidance note is intended to inform how humanitarian donors operationalise their reform commitments to promote more inclusive and locally-led action through humanitarian pooled funds (hereafter “pooled funds”). The Guidance note can be used by donors working at headquarters, in regions and in embassies, in their engagement across all humanitarian pooled fund and trust fund mechanisms. It may also be useful to a wider set of humanitarian actors that engage with donors on these efforts.

The Guidance note seeks to reaffirm and help operationalise the [Grand Bargain commitments](#) to support local and national responders and “make greater use of pooled funding tools which increase and improve assistance delivered by local and national responders”. It also seeks to operationalise the Grand Bargain commitments on the participation revolution, the recommendations of the Grand Bargain caucuses on [funding for localisation](#), on the [role of intermediaries](#) and on [risk sharing](#), and the IASC [Guidance note on how to promote gender responsive localisation in humanitarian action](#).

Pooled funds have been at the forefront of testing approaches to deliver more inclusive and locally-led action and many donors consider pooled funds an important lever to deliver on their locally-led action commitments.<sup>1</sup> Donors play a significant role in promoting inclusive and locally-led action across pooled funds, both as funding partners and when they participate as pooled fund governance board members. In contexts where multiple pooled funds operate alongside each other, donors have a role to play to incentivise complementarity and collaboration. Donors can also support pooled funds and the wider humanitarian system to operate more effectively – for instance through transparent sharing of funding intentions, supporting due diligence passporting or through sharing learning from third-party monitoring.

Individual humanitarian pooled funds will have made varying level of progress towards inclusive and locally-led action depending on the context and on their respective objectives. There is no expectation that this Guidance note can or should lead to a “one size fits all” approach. Donors will need to work with pooled fund managers, board members and with fund partners and particularly local and national actors (LNA), to determine which areas captured in this note to prioritise for progress and how to sequence them, considering the specific context and objectives of the pooled fund.

This Guidance note first outlines nine inter-related principles to guide donors in their engagement with pooled funds as funding partners, and, as appropriate, as board members. The principles are followed by an explanatory note that provides illustrative examples of how to operationalise the principles outlined, as well as best practices. Whilst some of these best practices are focused on donors’ actions, pooled fund management teams are at the heart of most of the best practices listed – and therefore many of these are presented from the point of view of pooled funds themselves. More detailed case studies are provided in annexes on the OCHA Country-Based Pooled Funds, the United Nations Women’s Peace and Humanitarian Fund (WPHF), the IFRC

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<sup>1</sup> Montemurro M. and Baudot Queguiner E. (2023), Pooled Funding at a Crossroads – [A comprehensive review and analysis](#), ICVA.

Disaster Relief Emergency Fund (DREF), the Global Resilience Fund and the Network for Empowered Aid Response (NEAR) Change Fund.

### Definitions

Within this note, **humanitarian pooled funds** (hereafter “pooled funds”) mean instruments that allow donors to pool resources together within a single fund to support humanitarian action and/or humanitarian outcomes. Pooled funds can be managed by multilateral institutions, such as OCHA, as well as the private sector and NGOs. They can be global, regional or established at country level. Their purpose may be exclusively humanitarian or may cut across other areas such as resilience, recovery, disaster preparedness, climate, peace, development and gender equality. They operate in varied contexts including conflict-affected states. This note considers both ‘pure’ humanitarian pooled funds – i.e. those intended for solely humanitarian activities – as well as the experience of other pooled fund mechanisms seeking to deliver improved humanitarian outcomes, such as feminist funds<sup>2</sup>.

Locally-led action, inclusion and participation are three deeply intertwined agendas that are mutually reinforcing. For the purpose of this note, **‘inclusive and locally-led humanitarian action’** is used to refer to the meaningful participation and leadership of local and national actors (LNA) and of affected and marginalised people in all their diversity, in humanitarian planning, implementation, coordination, accountability and learning, to remove barriers that limit access to the humanitarian system and to humanitarian assistance for marginalised and affected populations and the organisations that represent them. Promoting more inclusive and locally-led action is also about understanding, tracking and mitigating the risks of undermining local capacity, as well as tackling the disproportionate risks to the safety and security of local and national aid workers and volunteers, including those recruited by LNA.

### The power of language

Language is not neutral - it “sets the terms for relational engagement”, says Moses Isooba of the Uganda National NGO Forum.<sup>3</sup> Choices of language, words and narratives can entrench power asymmetries and exclude people and actors from humanitarian policy spaces and from humanitarian efforts. They can constraint our imagination and limit our grasp of a problem and of the range of possible solutions to address it.<sup>4</sup>

Oxfam’s Inclusive Language Guide provides a set of principles to promote language use that supports power sharing, inclusion and meaningful participation.<sup>5</sup> Careful consideration must be given to language choices and to language inclusion.<sup>6</sup> Moses Isooba advocates for instance to use “co-investors” to refer to communities and people on the frontline of crisis efforts and


<sup>2</sup> Created by, for, and with women, girls and nonbinary people, women’s and feminist funds work to resource and accompany women’s rights and feminist movements.

<sup>3</sup> Devex Partnerships (2024), How use of language can breathe life into localization.

<sup>4</sup> Saez P. and Bryant J. (2023), Understanding the role of narratives in humanitarian policy change, HPG working paper, ODI. Vintantonia C. (2022), The Humanitarian leader – The relationship between language and neocolonialism in the aid industry, Centre for Humanitarian Leadership, Working paper 030. Marzotto M. (2019), The language factor: lessons for communication and community engagement from Translators without Borders’ experience, Humanitarian Practice Network issue 74. Clear Global (2024), What you need to know about language inclusion.

<sup>5</sup> Oxfam (2023), Inclusive language guide.

<sup>6</sup> Marzotto M. (2019); Clear Global (2024),



move away from the dichotomy of “poor countries vs. rich countries” and “beneficiaries vs. providers”, which reinforce the notion of a hierarchy between superior and inferior.<sup>7</sup>

In drafting this Guidance note, the authors had to consider how language is colloquially used in the humanitarian system and how to convey messages as clearly as possible to a wide audience. As a result, the language used in this note may at times still convey a sense of dichotomy between actors in the system – for instance through the use of the English language, references to donors vs. partners, and partners vs. downstream partners. The note is however drafted in the spirit of recognising that all humanitarian stakeholders are co-investors in crisis efforts and should be valued and recognised as such. **We encourage readers to overcome the shortcomings of this note by placing inclusive, meaningful and equitable dialogues at the heart of their efforts to deliver against it.**

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<sup>7</sup> Devex Partnerships (2024).

## Principles

**In their engagement as funding partners to humanitarian pooled funds<sup>8</sup>, donors should endeavour to:**

1. Provide timely, [predictable funding](#) to pooled funds in a manner that is consistent with their overall performance and, in particular, with their specific performance and commitment on inclusive and locally-led action.
2. [Adapt donor systems](#) and processes where possible to support best practices on inclusive and locally-led action among pooled funds (while maintaining agility), and to help scale these up across existing and new pooled funds and other partnerships.
3. Conduct a transparent dialogue with pooled funds on the [administrative resource](#) implications of their efforts for more inclusive and locally-led action and ensure these resourcing needs are met.
4. Demonstrate, promote and implement [risk sharing](#) between donors, pooled funds and their implementing partners and downstream partners<sup>9</sup>, in line with the Grand Bargain risk sharing framework.<sup>10</sup>

**In their engagement as members of humanitarian pooled funds governance boards, donors should support the efforts of the pooled funds on inclusive and locally-led action and work towards:**

5. Adopting a [strategy](#) for inclusive and locally-led action that includes performance indicators and a specific approach to support local and national actors (LNA) and notably those representing marginalised people such as women-led organisations, and grassroots organisations as appropriate.
6. Improving the [accessibility](#) of funds to LNA through contextually relevant solutions and increasing the proportion of funding channelled directly, or as directly as possible, to LNA including grassroots organisations.
7. Promoting [equitable partnerships](#) between pooled funds and their partners and downstream partners, through the cascading of benefits, shared costs and overheads, putting in place plans to make this cascading mandatory, and through risk sharing.
8. Promoting approaches that value and amplify the [voices](#) of LNA, networks and consortia, and of affected and marginalised people in all their diversity in pooled funds governance and decisions, and in pooled funds programmes and communication.
9. Enabling holistic, demand-driven [organisational development](#) of LNA by humanitarian pooled funds, based on the needs identified by LNA and in line with the objectives of these pooled funds.

<sup>8</sup> 'Pooled funds' are referenced throughout this document as shorthand to mean the teams in charge of managing said pooled funds.

<sup>9</sup> I.e. the grant recipient's partners and sub-contractors.

<sup>10</sup> Risk sharing should be understood as a reasonable sharing of the responsibility for preventative measures and for materialising risks, in line with the Grand Bargain [Risk sharing framework](#).



## Explanatory note on how to operationalise the principles

This explanatory note is designed to support donors in their engagement with and across humanitarian pooled funds (hereafter “pooled funds”) – both as funding partners and where relevant, as governance board members. It provides further clarification on the meaning of the principles outlined on the previous page, together with a series of real-world best practice examples illustrating these principles. Whilst the principles are presented as distinct, they are inter-linked and making progress on one may also positively contribute to other areas. Making progress on these principles requires a sustained policy dialogue on inclusive and locally-led action between donors and pooled funds, as well as their implementing partners and downstream partners.

The practices listed here outline examples of what “good” can look like to support donor engagement. They do not represent an exhaustive list of best practices. Whilst the note is intended for donors, many of these best practices centre on the pooled fund managing teams that drive them and are presented from their point of view. To facilitate comparability, most best practices outlined below concern pooled funds that receive funding from at least one bilateral or multilateral donor. Other select examples are provided to demonstrate promising pooled funds illustrating the principle(s).

### I. Engaging with pooled funds as funding partners

#### Principle 1 – Predictable funding

*Provide timely, predictable funding to pooled funds in a manner that is consistent with their overall performance and, in particular, with their specific performance and commitment on inclusive and locally-led action.*

##### What this could look like in practice

- a) Increasing funding to pooled funds that demonstrate high and long-term commitment and good performance on inclusive and locally-led action, and in particular to locally-led pooled funds.
- b) Moving away from softly or fully earmarked and conditional types of funding that constrain pooled funds in their ability to work and programme strategically.
- c) Modelling and promoting predictable funding, including through the provision of multi-year funding where it is supportive of the fund’s objectives and strategy and/or enables the fund to provide multi-year funding to its partners and downstream partners. Following up on pledges through the timely disbursement of funds to pooled funds.

##### **Examples**

**Jersey**, a small but agile donor, has made the shift to multi-year funding allocations towards pooled funds - including the Start Network's Start Fund and Start Fund Bangladesh, OCHA's Country-Based Pooled Funds (CBPFs) and the Aid Fund for Northern Syria. Allocations are made early in the calendar year (Q1). Where possible, Jersey also supports essential office support costs in-country.

As part of its efforts to work as much as possible through multi-year allocations, the **Netherlands** provides multi-year funding to the IFRC Disaster Relief Emergency Fund ('IFRC DREF', through the Netherlands Red Cross Society), to the CBPFs for Yemen, Sudan, South Sudan, Somalia and the DRC, and to the Start Network (including the Start Fund). Allocations to all pooled funds are made early in the calendar year (Q1) and aim to benefit local actors. The Netherlands is one of the largest contributors to both the CBPFs and the IFRC DREF.

**ICVA** is exploring with experts on data and financing reporting, the collection of real time data from a diverse range of humanitarian pooled funds. The ambition is to track overall levels of funding provided to pooled fund mechanisms working in fragile and conflict affected contexts, including the levels of funding being provided to locally-led and NGO led funding mechanisms, as well as the amounts of funding being provided to local and national NGOs from pooled fund mechanisms.

## Principle 2 – Adapt donor systems

*Adapt donor systems and processes where possible to support best practices on inclusive and locally-led action among pooled funds (while maintaining agility), and to help scale these up across existing and new pooled funds and other partnerships.*

What this could look like in practice

- a) Working to nurture and sustain innovations and best practices on inclusive and locally-led action piloted by pooled funds with support from individual champions in donor institutions.
- b) Adapting as appropriate internal donor tools, processes and systems, such as for instance approaches to risk management, so best practices on locally-led action are institutionalised and do not rely on individual champions. Working to systematise these best practices across humanitarian pooled funds as appropriate, and where possible between humanitarian pooled funds and other development, peacebuilding, feminist and climate pooled funds that donors support.
- c) Improving coherence and consistency within donor institutions (across headquarters, embassies as well as partnership, compliance and audit teams) in their engagement with pooled funds, for instance through common policy papers, learning notes and guidance, and the establishment of communities of practice.
- d) Testing, supporting and scaling funding for pooled funds operating across the nexus of humanitarian, development, climate, peace and human rights efforts.
- e) Using donor convening to support learning across different pooled funds mechanisms and notably locally-led financing mechanisms, and with foundations and philanthropic bodies.
- f) Investing in evidence pieces and pooling resources in support of evaluations and learning covering multiple pooled funds.

### Examples

As a locally-led fund, **NEAR's Change Fund** has promoted and inspired peer-to-peer learning across the NEAR network. For example, in Nepal, a member of the Change Fund Oversight

Body has joined together with a diverse group of Nepalese civil society (NEAR and non-NEAR members) to create the Community Resilience Fund (CORE), a national and locally-led pooled fund focusing on disaster mitigation and preparedness as well as humanitarian response.

**ICVA** and the **Start Network** are collaborating with interested pooled funds and donors to set up a Pooled Funds Community of Practice (CoP). The CoP aims to bring together fund managers from across a diversity of funds working in humanitarian and fragile contexts, including feminist funds, refugee-led funds, locally-led funds, as well as funds led by UN agencies, members of the Red Cross and Red Crescent Movement, private sector and international NGOs. Through regular meetings and events, the CoP will seek to facilitate learning and the scaling of good practices among funds, as well as support collective donor messaging and advocacy efforts. The CoP will also look to facilitate synergies among funds, and develop a living database of fund information. The **IFRC Disaster Response Emergency Fund (DREF) and Start Fund/Start Ready** have also established a cross-learning platform on their respective pooled funds. The objective is to further reinforce learning and identify potential joint research, advocacy and policy themes. As co-chair of OCHA's Pooled Fund Working Group 2024-25 in partnership with Italy, **Jersey** intends to prioritise knowledge sharing and learning across pooled fund mechanisms and utilise the platform to advocate for best practices, enhanced collaboration and coordination.

### Principle 3 – Resource implications

*Conduct a transparent dialogue with pooled funds on the administrative resource implications of their efforts for more inclusive and locally-led action and ensure these resourcing needs are met.*

#### What this could look like in practice

- a) Tailoring and where needed increasing pooled fund administrative resources to help increase the number of grants the pooled funds can manage directly and indirectly, and enhance their ability to test approaches and innovate. Increasing administrative resources can also help pooled funds expand their offer in terms of capacity support, and adjust their monitoring, evaluation and learning efforts. To achieve this, donors will need to be open to regular and transparent reviews of pooled funds' resource requirements.
- b) Working collectively among donors to harmonise donor requirements and conditionalities for pooled funds to reduce the management burden while maintaining necessary processes for accountability. This could include for instance agreeing common reporting and risk reporting approaches and requirements<sup>11</sup>, and agreeing common approaches to conditionalities on the use and the management of funding, additional due diligence, monitoring and audit requirements.  
Agreeing agile performance targets that enable flexibility and can be adapted based on changes in circumstances.

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<sup>11</sup> This should build as appropriate on the Grand Bargain harmonised reporting template.

## Examples

Several donors to the global **Start Fund** encouraged higher-level budgeting, and agreed to streamlined reporting requirements e.g. adoption of the same logframe<sup>12</sup> and acceptance of common reports. The flexibility and streamlined requirements have freed up internal capacity and resources to trial new approaches and conduct pilots, e.g. accelerate automation to enable LNA to submit proposals and reports in different languages and provide accompaniment to LNA members.

## Principle 4 – Risk sharing

*Demonstrate, promote and implement risk sharing between donors, pooled funds and their implementing partners and downstream partners<sup>13</sup>, in line with the Grand Bargain risk sharing framework.<sup>14</sup>*

### What this could look like in practice

Readers are encouraged to consult the [Risk sharing framework](#) for more comprehensive and detailed guidance on risk sharing.


- a) Promoting ongoing, open communication and structured dialogue between donors, pooled funds, fund users and all partners in the delivery chain on risks in the particular humanitarian operations involved, on working in high-risk environments, on changes in the risk environment, and on context-appropriate approaches to prevent, mitigate and/or respond to these risks.
- b) Working to achieve consensus among donors on a shared and contextualised risk appetite and the acceptable level of residual risk based on such communication and dialogue. Communicating this consensus clearly to pooled funds, so they can adapt their requirements for partners and sub-partners on risk sharing.
- c) Agreeing explicit policy, procedures and budgetary provisions for how risks will be managed if losses are incurred when risks materialise, and clearly articulating such position in contractual agreements with pooled fund managing entities. Encouraging open dialogue with pooled funds and their partners on risks that allow for non-punitive information sharing. In cases where risks have materialised, assessing the risks and potential impacts of taking actions (including options such as halting aid) on partners, downstream partners and affected and marginalised people, before taking any responsive measures.
- d) Updating donor policies as needed to work in complex settings, including conflict-affected settings, and bringing together relevant teams (e.g. partnership, compliance, audit) to align their risk appetite across pooled funds to the highest level of ambition.
- e) Using donors' diplomatic levers when appropriate as well as convening or facilitating regular country-level fora or platforms between all actors, to help manage risks faced by LNA, LNA staff and volunteers as a result of their humanitarian work. Supporting

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<sup>12</sup> The logframe is a type of results framework.

<sup>13</sup> I.e. the grant recipient's partners and sub-contractors.

<sup>14</sup> Risk sharing should be understood as a reasonable sharing of the responsibility for preventative measures and for materialising risks, in line with the Grand Bargain [Risk sharing framework](#).



concerted efforts to advocate for the respect and protection of humanitarian workers with host governments and, in conflict situations, with parties to the conflict.

### Examples

After the conflict in Sudan began in April 2023, access to affected areas became more difficult, increasing the need to work with grassroots organisations. In response, the OCHA-managed **Sudan Humanitarian Fund** (SHF) shared a risk absorption note with its donors. This note introduced flexibilities that allowed the Fund to continue supporting life-saving assistance in a rapidly changing environment. These measures were jointly agreed with partners and donors of the Fund based on open discussion of the risks and mitigation measures. They included emergency capacity assessment, flexible deadlines, and predictable provisions on eligibility of non-negligent losses due to force majeure events (if duly and timely reported). The risk absorption note also acknowledged both the crucial role of grassroots organisations and the risks involved in partnering with them due to their limited experience in managing grants and finances. The note sparked open discussions with donors about these challenges. It was ultimately agreed that funding could be channelled to community-based organisations through intermediary NGO partners, with grants of up to US\$20,000, contingent on an action plan, a final report, and a signed receipt of funds.

## II. Engaging through pooled funds as pooled fund board members

The following section captures areas of inclusive and locally-led action likely to be discussed in pooled fund governance boards. The principles, details and associated best practices, are listed to support and empower staff representing donor institutions to meaningfully participate in those discussions. In their engagement through humanitarian pooled fund governance boards, donors should consider how they can use their voice and seat in support of local leadership and amplify the voices of LNA.

### Principle 5 - Strategy for inclusive and locally-led action

*Adopting a strategy for inclusive and locally-led action that includes performance indicators and a specific approach to support LNA and notably those representing marginalised people such as women-led organisations, and grassroots organisations as appropriate.*

#### What this could look like in practice

- a) Supporting pooled funds to adopt a locally-led strategy and action plan, developed with the meaningful participation of LNA and informed by a mapping of the funding ecosystem to different groups of LNA, to be context-specific.
- b) Advocating that strategies outline concrete approaches to support local and grassroots organisations and in particular those representing marginalised groups in line with the mandate and purpose of the fund. This may include women-led organisations (WLO), Women's Rights Organisations (WROs), organisations of people with disabilities (OPD), LGBTQ+ organisations, refugee-led organisations (RLOs), organisations led by Internally Displaced Persons (IDPs) and stateless people, and other organisations representing minorities and/or hard to reach populations, as well as wherever possible, non-registered organisations.
- c) Pushing for pooled fund annual performance reports to include transparent reporting against agreed performance targets on inclusive and locally-led action, as well as reporting on their progress against the Grand Bargain 25% target of funding provided as directly as possible to LNA, including to WLOs/WROs and OPDs, and on their cost structures as appropriate.

#### **Examples**

The **Pooled Fund Working Group** (PFWG) - which includes OCHA, donors to the Country-Based Pooled Funds (CBPFs), the Advisory Group of the CBPF-NGO Dialogue Platform (PAG), and representatives from recipient UN agencies – continues to engage in ongoing discussions regarding the role of the CBPFs in promoting locally-led responses. These discussions have been held through regular meetings, workshops, reviews of action points and progress achieved, and annual surveys capturing NGOs' perceptions of the CBPFs.

**Humanitarian Coordinators, as custodians of OCHA's Country-Based Pooled Funds**, are supported in developing strategic Vision Papers and localisation notes, in collaboration with local and national partners and through wider consultation with stakeholders, including donors, and the Funds' respective Advisory Boards. These notes include key actions to move

forward with locally-led action under five areas of work: quantity of funding, quality of funding, governance and partnerships, capacity development, and communication and visibility. They include an annex with indicators and targets.

## Principle 6 – Accessibility

*Improving the accessibility of funds to LNA through contextually relevant solutions and increasing the proportion of funding channelled directly, or as directly as possible<sup>15</sup>, to LNA including grassroots organisations.*

### What this could look like in practice

Making progress on accessibility requires a considered approach to risk sharing. This principle should therefore be considered and progressed alongside Principle 4.

- a) Harmonising donor requirements around pooled fund partners' due diligence and vetting, both at the global level and at the country level. Engaging with and where needed pooling resources across different donors to support initiatives aimed at harmonising and passporting due diligence, vetting and auditing of LNA across pooled funds, as well as other entities that fund LNA directly.
- b) Encouraging the provision of predictable pooled fund allocations wherever possible and appropriate, to give partners and their downstream partners sufficient lead time to apply. Investing in quality partnership with LNA – avoiding wherever possible short funding cycles with competitive vetting that can promote unhealthy competition and undermine effective humanitarian action.
- c) Pushing for eligibility requirements of pooled funds to be communicated transparently and tailored to local capacities and resources. Promoting the tailoring of application processes to LNA including through the use of local or national language, and simplified proposal development and reporting requirements, in a manner that is proportionate to the level and duration of funding and expected results.
- d) Pushing to test tier-based and lighter-touch approaches that tailor capacity assessments as well as due diligence and compliance requirements to different types of partners (e.g. national, local, grassroots, non-registered), their risk levels and absorption capacity and the volume of funding provided. Promoting approaches where capacity assessments are used as an opportunity to identify capacity areas for support as part of an organisation's wider institutional strategy, rather than as a pass/fail approach.
- e) Pushing to set specific targets<sup>16</sup> to channel funding to LNA. This could be done for instance through dedicated allocations to all LNA; setting specific targets and allocations for groups representing marginalised people and notably WLOs/WROs

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<sup>15</sup> Channelled by donors to local and national actors through only one intermediary.

<sup>16</sup> Building on and wherever possible exceeding the Grand Bargain 25% target of funding provided as directly as possible to LNA.

and OPDs, based on an analysis of the funding ecosystem to marginalised people and the groups that represent them; prioritising LNA or specific groups in project selections processes; and opening up some allocations only to specific groups of applicants such as WLO/WROs, as well as piloting participatory grant-making approaches for specific windows.

- f) Making specific provisions as appropriate to enable local grassroots and non-registered organisations to access funding, through the introduction of innovative and flexible mechanisms that cater to these groups' specific needs and capacity.
- g) Actively funding and supporting intermediary structures that can channel funds equitably to a wider group of LNA (e.g. consortia, twinning between larger entities and other LNA, coalitions) based on their strategic priorities.

### Example

At least 20% of direct funding provided by the **Livelihoods and Food Security Fund for Myanmar** (LIFT), is ringfenced to LNA. LIFT has also introduced targets for WLOs and organisations serving people with disabilities. In addition, LIFT has pioneered the introduction of two bespoke locally-led action funding mechanisms: one centred on disbursing small grants and the other on promoting strategic partnerships that seek to exchange learning, experience and capacity between LNA. LIFT issued a nationwide Call for Concept Notes in 2023. 159 applications were received of which 86 were from LNA. An appraisal process reduced the number of applications subsequently submitted for Fund Board consideration to 35, of whom 20 were from LNA. Having secured Fund Board approval for 35 projects, LIFT dedicated resources to a 'co-creation' process that offered technical assistance to LNA in developing proposals. In providing technical assistance through this co-creation process, LIFT increased the likelihood that LNA proposals would be developed to a sufficient standard to secure final Fund Board approval.

The **Global Resilience Fund** (GRF) supports young women and girl-led organisations and collectives including groups led by girls under 19, and works with local host organisations to support unregistered groups. Application processes are simple, translated into local languages, with the option of submission via WhatsApp, Signal or video message. The GRF moves money through a range of mechanisms, including direct bank transfers, Western Union, PayPal, and in some cases physical cash. This involves working closely with the leaders of the organisation/group to confirm the current most realistic mechanism to receive the funds quickly and safely and in ways that work for them.

The OCHA-managed **Ukraine Humanitarian Fund** (UHF) conducted a review of its support to LNA, which highlighted that many national actors, particularly smaller Civil Society Organisations (CSOs) that constitute the majority of frontline responders, are unable to meet all the requirements of the regular capacity assessment and hence cannot access UHF funding directly. In response, the UHF piloted a contextualised capacity assessment, which adapted and simplified requirements to make funding more accessible to smaller local organisations. The contextualised capacity assessment was piloted with a small group of local actors that had proven experience of implementing UHF funding as sub-partners, providing them with direct funding. To manage risks, a maximum funding ceiling was established together with additional monitoring measures.



In 2019 **Jersey** - along with **Ireland** and the **Netherlands** - funded the global Start Fund pilot for a tiered due diligence framework. The global **Start Fund** piloted the **tiered due diligence framework** which assigned NGOs joining the network to one of the three tiers based on their capacity assessment. Those tiers correlated with their compliance profile. All organisations were assigned to a tier that corresponded with a certain type of access to funding and support. The Start Fund has experienced some success in terms of investing in partners' organisational policies and practices, allowing them to go through a subsequent due diligence reassessment and then moving them up through the tiered framework to access greater volumes of funding.

## Principle 7 – Equitable partnerships

*Promoting equitable partnerships between pooled funds and their partners and downstream partners, through the cascading of benefits, shared costs and overheads, putting in place plans to make this cascading mandatory, and through risk sharing.*

What this could look like in practice

- a) Supporting pooled funds in ensuring that policies, practices and expectations are clearly set out at all levels of partnerships, including responsibilities and entitlements. Benefits including multi-year funding, direct and indirect cost recovery and overheads<sup>17</sup>, are equitably passed down the delivery chain. Where these are not mandatory, donors support pooled funds' efforts and action plan to make these mandatory.
- b) Advocating for pooled funds to track partners' performance on equitable partnerships and include performance on equitable partnerships as a project selection criterion.
- c) Supporting pooled fund efforts to put in place feedback loop mechanisms that gather inputs from LNA and particularly from downstream partners about their experience of equitable partnerships and risk sharing, and identify opportunities to make improvements. Supporting pooled funds' efforts to regularly review their risk management policies and practices to ensure they remain fit for purpose.
- d) At the start of and during the planning cycle, agreeing to context-appropriate policy, procedures and budgetary provisions (such as for example for training, safety equipment, vehicles, guards) that provide for risk mitigation measures throughout the delivery chain based on the complexity of the context and risks faced by partners – recognising that risks may affect different organisations and people in all their diversity in different ways. Considering all risks referenced in the Grand Bargain risk sharing framework, ensuring that local actors are equitably supported and protected in environments where they may face unique and heightened risks.
- e) Ensuring that partners and downstream partners are clearly and proactively informed about the budgetary flexibility to adjust and repurpose projects based on changing risks as well as their entitlement to adequate quality funding to support risk management. This includes resources for administration and finance oversight, access and security management, the prevention of sexual exploitation, abuse and harassment (PSEAH),

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<sup>17</sup> See also IASC (2022), Guidance – Provision of overheads to local and national partners.

participation and accountability, staff and volunteer physical and mental health support, and to improve organisational resilience.

### Examples

**The Aid Fund for Northern Syria (AFNS)** made it mandatory for the main partner that received funding from AFNS to share their operational cost with the downstream partners fairly. AFNS were able to push through their policy on cascading overheads because donors were vocal in their support through the steering board.

The **NEAR Change Fund** promotes and embodies equitable partnership in a variety of ways. The peer-to-peer nature of the locally-led fund has fostered a vision of partnership that centres quality relationships, solidarity, and trust. The Change Fund also provides 15% indirect cost recovery (ICR) to all grantees, and strongly suggests that this be taken, even when not requested by grantees. For organisations that apply in a consortium, the Change Fund expects that the ICR is shared equitably along partners/downstream partners, in a way that aligns with the work that each partner is conducting.

The **IFRC DREF** allows and funds the deployment of surge specialists to support the National Societies in the design and implementation of the operation in specific sectors, including (but not limited to) Security, the prevention of sexual exploitation and abuse, psycho-social support, community engagement and accountability. The DREF is also allowing a specific percentage of the funding for overhead costs (additionally to support/indirect costs) for the National Societies to ensure that these operations are not harming the local actors but reinforcing them.

## Principle 8 – Voices of LNA and affected and marginalised people

*Promoting approaches that value and amplify the voices of local and national actors, networks and consortia, and of affected and marginalised people in all their diversity in pooled fund governance and decisions, and in pooled funds programmes and communication.*

### What this could look like in practice

- a) Ensuring donor representation in governance boards is not disproportionate compared to that of other constituents. Pushing for balanced representation from LNA and notably those representing marginalised groups, such as WLOs/WROs, in governance bodies which may also include funding to cover the cost of LNA participation in governance bodies.
- b) Through structured and participatory processes, advocating for the engagement of, decision making, and accountability to affected and marginalised people, and LNA, including those representing marginalised groups. Promoting transparent processes, where it is clear why and how decisions within the pooled fund are made and there is sufficient lead-time to enable NGO networks to consult their members.
- c) Participating in two-way mentoring schemes among governance board members including with donors, to promote the sharing of experience and help maximise LNA participation and leadership.
- d) Promoting participation and accountability within pooled funds' programme cycle, including through encouraging sufficient lead time to develop approved proposals into full

- programmes, pushing to consult with affected and marginalised people and local actors, advocating to track partners for their engagement with affected and marginalised people and their satisfaction, and pushing to consider performance when making new funding decisions.
- e) Pushing for visibility of LNA efforts, including those funded through intermediaries, within pooled fund public communication.
  - f) Promoting accountability to affected populations by encouraging pooled funds to adapt and react to community feedback from a diverse range of actors, encouraging pooled funds to engage in discussions with their partners to do the same, and ensuring pooled fund annual reports include a section on feedback-based adaptations and accountability to affected populations.

### Examples

The **AFNS** steering board includes a Women Advisory Group formed by women working in the sector inside northwest Syria and from Turkey. This group has helped bring attention to women's specific issues and their aspirations. The steering board of AFNS includes 56% female representation (5 out of 9 board members are female). 3 out of 9 board members are from Local NGOs, sitting alongside 3 INGO and 3 donors.

By helping establish the **ICVA CBPF Resource Facility** facility, **Switzerland** ensured that local actors could routinely participate in the global PFWG and CBPF advisory board meetings. The **ICVA CBPF Resource Facility** facilitates strong local and national NGO voices in CBPF governance boards through supporting the costs of local and national NGOs and providing demand driven access to information and mentorship.

The **Regional Concertation for Risk Management** (Concertación regional para la Gestión de Riesgos – CRGR) is a regional network of over 130 local and national implementing organisations in Central America, including Guatemala, Honduras, El Salvador, Nicaragua, and Costa Rica. In response to natural disasters, CRGR's prepositioned pooled fund implements emergency responses and rehabilitation projects. Regarding accountability to affected populations, the fund works through and relies critically on community focal points, who are trained in advance and play a crucial role in identifying needs, channelling assessments to the national roundtables in a timely manner, and implementation of emergency response.

## Principle 9 – Organisational development

*Enabling holistic, demand-driven organisational development of LNA by pooled funds, based on the needs identified by LNA and in line with the objectives of these pooled funds.*

### What this could look like in practice

- a) Devoting specific funding within pooled funds for capacity strengthening support.
- b) Promoting mutual learning and support between partners, as well as testing dedicated efforts in support of organisational development, based on needs identified by partners and downstream partners including in areas such as security management.
- c) Allocating specific budget lines within partner budgets for capacity development for organisations to use as they wish, including for downstream partners – noting the

interlinkages between capacity strengthening and risk management including in areas such as PSEAH.

- d) Supporting complementary organisational development efforts that draw on non-humanitarian sources of funding and reinforce and complement pooled fund efforts.
- e) Promoting learning and communities of practice across pooled funds, at the country and global level.


### Examples

The **Resourcing Refugee Leadership Initiative** (RRLI) is a pooled fund of six refugee-led organisations (RLOs), providing financial support complemented by a partnership program that fosters peer-to-peer collaboration. This program works with grassroots RLOs to enhance their operational capacity by building leadership, strengthening operational systems, and addressing unique contextual challenges. Additionally, the program connects RLOs to vital networks of civil society, donors, and advocacy groups.

Since 2020, the **ToGETHER consortium**, consisting of Caritas Germany, Deutsche Welthungerhilfe, Diakonie Katastrophenhilfe, and Malteser International, has been strengthening local organisations in eight countries, with support from Germany. The project provides tailored training and mentoring for local humanitarian partners (LHPs), access to a dedicated funding facility and fosters meaningful dialogue among stakeholders, ensuring local voices shape humanitarian responses. The goal is to empower local organisations to independently secure funding from other donors and from CBPFs. Local NGOs engage directly with donors, in turn taking on champion roles in their regions and mentoring other organisations. By the end of the first program period (2020-2024), more than 80% of the LHPs were eligible to obtain direct funding from different pooled funds (e.g. Ethiopian Humanitarian Fund, Myanmar Humanitarian Fund, Start Network).

The **WPHF** provides up to US\$30,000 in institutional funding alongside operational funding, to contribute to strengthening the local capacity and sustainability of the civil society organisations (CSOs) working on the frontlines of crisis and conflict. The WPHF has taken on an approach where they do not place limitations on what percentage of funds CSOs use for the different types of capacity strengthening. They also encourage women's organisations to allocate funding for wellbeing and mental health of staff within the budget. Through its Global Learning Hub (L-HUB), the WPHF aims to enhance learning and coalition building among CSOs and women human rights defenders by offering training, exchange, and mentoring opportunities and peer learning grants tailored to the needs and interests of its civil society partners. The L-HUB provides capacity strengthening support in areas such as strategic planning, monitoring and evaluation, and fundraising. The WPHF also consults annually with their partners to understand specific areas where further support may be needed going forward.

With support from **Ireland**, Trócaire, Christian Aid, CRS, DCA, Diakonie Katastrophenhilfe, CAFOD and Tearfund are piloting across nine countries and with 45 local partners, a new approach that aims to enhance collaboration among international and local partners. This approach introduces a simplified due diligence methodology and allows with consent of the local partners, the sharing or "passporting" of these due diligence assessments among the INGOs to reduce the administrative burden. It is accompanied by coordinated support plans



that seek to better position local partners to access direct funding from a wider range of partners including from Country-Based Pooled Funds.



## Conclusion

This Guidance note is intended to support donors who engage with and through pooled funds and with pooled fund users. The note may also be useful to pooled funds, pooled fund users and a wider set of humanitarian and other actors that engage with donors. The note should be used in support of and to promote dialogue. There is no expectation that this Guidance note can or should lead to a “one size fits all” approach across pooled funds. Donors will need to work among themselves as well as with pooled fund managers, board members and with fund partners and particularly LNA, to determine which areas captured in this note to prioritise for progress and how to sequence them.

The development of this Guidance helped surface three salient points:

1. Pooled funds carry immense potential to deliver more inclusive and locally-led action, but harnessing this potential requires that donors work more coherently amongst them and across teams within their own institutions, to help systematise best practices and address the barriers that hinder their scale-up.
2. Donors yield significant influence over the nature and direction of exchanges within pooled fund governance boards. They should promote open and constructive exchanges and amplify the voices of LNA.
3. Through their relationship with pooled funds, donors have an important role to play in modelling the equitable partnership and the best practices they want pooled funds to adopt.

This note is intended to help operationalise the Grand Bargain commitments on locally-led action. There is no plan to establish formal progress tracking mechanisms against the principles it outlines, as these would duplicate existing Grand Bargain reporting approaches. The creation of a new Community of Practice of Pooled Funds led by ICVA and the Start Network (see p. 11), is an encouraging step to accelerate learning and promote open exchanges with donors on opportunities for change. The note may be updated in due course to reflect new learning on locally-led action and on pooled funds.

## Annex 1 – Additional best practices

### Principle 6

The **United Nations Women’s Peace and Humanitarian Fund** (WPHF) has simplified requirements and application processes available in several languages and provides support during the application process to ensure increased accessibility. It only conducts capacity assessments and due diligence of civil society organisations (CSOs) once projects have been selected, allowing an opportunity to strengthen organisational capacities. Proposals can be submitted in several languages to simplify access. WPHF also funds local CSOs led by and working alongside forcibly displaced women through a specific initiative that aims at increasing the participation and leadership of displaced women and girls in socio-economic and political decision-making (Funding Initiative on Forced Displacement). 44% of the local and grassroots CSOs supported by WPHF are receiving UN funding for the first time, opening doors for further opportunities within the UN system.

The **Aid Fund for Northern Syria** (AFNS) promotes partnerships between bigger ‘anchor’ organisations that can pass funding to community based, women-led organisations and support capacity building.

### Principle 7

The OCHA-managed **Lebanon Humanitarian Fund** (LHF) has introduced a dedicated pillar in allocations aimed at strengthening a locally-led response by offering additional assistance, enhancing capabilities, and allocating dedicated funds to local and national organisations. The LHF requires that implementing partners share the standard program support costs (7%) equitably, promoting fairness and accountability in resource allocation.<sup>18</sup>

The global **Start Fund** outlines in indemnity letters how disallowances during audits may be managed in terms of Start stepping in to absorb costs and/or establishing a repayment plan with the concerned organisation.

The **Global Resilience Fund** (GRF) provides support with digital security and tech infrastructure to help make its partners more resilient through protecting their connectivity. As part of a broader approach to collective care and wellbeing, they also support their partners through mental health resources and support, and access to local practitioners. The GRF also provides fully flexible funding and trusts partners if they need to shift plans or activities.

### Principle 8

The OCHA-managed **Yemen Humanitarian Fund** has strengthened accountability to affected people in all phases of the project cycle. A Beneficiary Feedback and Complaints Mechanism (BFCM) allows program participants to contact the YHF team directly through a dedicated call centre and other channels to share their grievances and feedback.<sup>19</sup>

The **Global Resilience Fund** (GRF) convenes quarterly learning space and rapid country briefings where donors and other intermediary funders have a chance to hear directly from girls responding

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<sup>18</sup> Lebanon Humanitarian Fund Annual Report 2023.

<sup>19</sup> Yemen Humanitarian Fund 2022 Annual report.



in humanitarian contexts about their needs and the challenges they face. These locally-led dialogues are attended by diverse donors including private and family foundations, UN agencies, bilateral governments, feminist fund, and have a focus on shared learning and collective action. These spaces are always co-hosted and designed to amplify the leadership of local community leaders.

The **GRF** also works closely with a girl and young women-led advisory group to set the strategy and drive the direction of the Fund. This ensures the fund is led by, and accountable to girls and young women from crisis contexts. Through a participatory decision-making model, the advisors determine resource allocations. The fund has shown that speed and scale don't conflict with values of reciprocity, solidarity, and ceding power to young women and girls. Advisors have also a key role in accompaniment of groups and are compensated for their contributions.

### **Principle 9**

**OCHA-managed CBPFs** allow for the inclusion of specific capacity development budget lines in projects implemented by local and national partners directly or as sub-partners. This is complemented with proactive feedback during the capacity assessment, partner performance appraisals and audit activities, as well as collective capacity development and learning activities organised by OCHA with eligible partners and sub-partners.

The **Global Resilience Fund (GRF)** works with its partners to understand their needs and designs accompaniment offerings with this in mind. The support includes supplementary flexible funding for capacity strengthening for organisations to use as they see fit, direct accompaniment via peer-to-peer coaching, mentoring and offering workshops to respond to identified needs. GRF capacity support also aims to enable its partners to prepare for and better mitigate risks to their safety and activities and build critical solidarity and support networks with young people nationally, regionally and internationally.

The **AFNS** work with their partners to understand their needs and give them different options to support their capacity including dedicated budget in their grants of up to US\$ 10,000. They have worked on a digital platform to give partners access to a number of services and capacities. This platform connects their partners with service providers. They are also carrying out a pilot program with the Humanitarian Leadership Academy which is providing comprehensive capacity strengthening to organisations.



## Annex 2 – OCHA Country-Based Pooled Funds


The OCHA-managed Country-Based Pooled Funds (CBPFs)'s core mandate is to allocate funding to save lives, alleviate suffering, and maintain human dignity based on humanitarian needs and priorities identified at the country level. By providing timely, coordinated, unearmarked and principled assistance, CBPFs enhance the effectiveness and accountability of the humanitarian response. Their management is a core component of OCHA's mandate to coordinate humanitarian action, which includes humanitarian financing. In 2022, OCHA made an official commitment that, while addressing humanitarian needs is the primary goal of CBPFs, localisation is recognised as a secondary aim.

CBPFs have become a key vehicle for advancing localisation. Funding to national and local NGOs has increased from US\$80 million in 2014 to US\$441 million in 2023 – the latter being 40% of total allocations for the year, well above the Grant Bargain threshold. A further increase in the share of funding going to national and local partners is expected in 2024. CBPFs make intentional efforts to prioritise national partners. For example, the **Lebanon Humanitarian Fund** introduced a funding pillar that aims to strengthen a localised response by offering additional assistance, enhancing capabilities, and allocating dedicated funds to local and national organisations. This supported initiatives that actively involve and empower local and national entities across all stages of humanitarian interventions.

CBPFs have also diversified the range of national organisations they partner with. For example, the **Ukraine Humanitarian Fund** has piloted a Contextualised Capacity Assessment that allows direct funding to local actors that can deliver assistance to the frontlines. The **Sudan Humanitarian Fund** has introduced flexible measures to ensure funding can be accessible to grassroots groups, such as neighbourhood committees, women's groups and youth clubs. The small grants of up to US\$20,000 for these organisations, channeled through NGO partners, come with simplified requirements, such as a simple plan (instead of full proposals), and a one-page report on what has been done with the money. Measures were put in place to ensure oversight of those donations, and these were carried out by the intermediary NGOs.

In addition to funding, CBPFs promote local and national actors' meaningful engagement in governance and decision-making. Globally, national NGOs are represented in the Pooled Fund Working Group and in the CBPF-NGO Dialogue Platform Advisory Group. At the country-level, local actors are included in Funds' advisory boards, ensuring their equitable representation alongside other stakeholder constituencies, and input in strategic discussions and planning.

CBPFs contribute to developing the performance and capacity of local and national humanitarian NGOs to expand opportunities to access funding and improve the assistance delivered. This may take various forms, including providing feedback and mentoring during routine Fund processes such as capacity assessments, funding applications, project monitoring and audits, and set-piece training. Funding may occasionally be allocated to dedicated capacity development initiatives where (i) justified by context-specific criteria, (ii) agreed to by the Humanitarian Coordinator (HC) with support by the Advisory Board and (iii) aligned with any broader in-country capacity development efforts. For example, the **Nigeria Humanitarian Fund** has pioneered capacity support both through consortia between INGO, National NGOs and the Private Sector, and through projects dedicated to capacity building.



CBPFs support communications and visibility of localisation efforts through a range of information products and media. These highlight both the work of local and national partners and the role of donors in supporting such work.

The **Flagship Initiative** is offering space to pilot new approaches to address community priorities and empower local actors, supported by the innovative use of funding mechanisms. As an example, the March 2024 allocation made by the **West and Central Africa Humanitarian Fund in Niger** was underpinned by community engagement and community participation in decision-making. The allocation strategy was developed through extensive, iterative community consultations. Funding was targeted to local NGOs with operational presence in the selected communes. Commune-level committees with a majority of community representatives were established to review project proposals, each of which was required to address documented community priorities. The **South Sudan Humanitarian Fund** made an allocation in July 2024 to address community expressed humanitarian needs and priorities. In alignment with the principles of the Flagship Initiative and under the auspices of area-based leadership, community engagement was a requirement for all project proposals – both to determine community priorities and to ensure activities aligned with those priorities throughout the project cycle. The allocation piloted micro-grants for communities, designed in collaboration with community-based organizations

## Annex 3 – UN Women’s Peace and Humanitarian Fund

The **United Nations Women’s Peace and Humanitarian Fund** (WPHF)’s mandate is to support local and grassroots women’s civil society leaders and their organisations in conflict and crisis settings worldwide. It provides flexible programmatic and institutional financing, as well as capacity support, to local civil society as well as direct logistical support to women peacemakers, peacebuilders and human rights defenders (WHRDs) to leverage their strategic positions and expertise in preventing and responding to emergencies and crises. Being a local or national women’s rights/led civil society organisation (CSO) is one of the two eligibility criteria for its funding.

Since its launch, WPHF has supported over 1,300 local and grassroots CSOs in 44 crisis-affected countries around the world - almost half of which had never received UN funding before – demonstrating how it serves as a unique instrument for locally-led action. In its commitment to leaving no one behind, WPHF has prioritised projects that improve the lives of marginalised communities, with 15% of projects focusing on people living with disabilities, 3% of projects advocating for the rights of LGBTQ+ communities, and additional efforts targeting forcibly displaced women and girls (39%), youth (21%) and indigenous and ethnic minorities (4%). Overall, 24% of all CSOs supported under WPHF are led by a forcibly displaced person, and 39% of projects aim to improve the situation for women who are forcibly displaced (refugees and Internally Displaced Persons or ‘IDPs’)<sup>20</sup>.


WPHF operates through three funding windows to support different needs of women and girls, applying an intersectional approach to reach the most marginalised. CSOs have actively participated in the design of all funding windows and are part of all governance and decision-making bodies of the Fund, ensuring that the support provided is responsive to their needs and priorities. Among others, CSOs are part of the Global Funding Board of WPHF as well as in the technical committees of the Rapid Response Window and Window for Women Human Rights Defenders (WHRDs); and fully participate in the WPHF National Steering Committees.

Grant-giving is flexible and allows for project adaptation, based on the context. WPHF provides institutional and programmatic funding to non-registered CSOs which can apply in consortium with registered organisations (lead applicant). WPHF Global Learning Hub (L-HUB) provides capacity strengthening, knowledge sharing, networking and movement building opportunities as well as mentorship programs and peer learning grants among supported CSOs. These opportunities aim to deepen their skills and knowledge on topics that are identified by the CSOs through the WPHF annual CSO survey. With strengthened capacities and knowledge, the aim of WPHF is also to serve as an entry point for them to access new funding within the humanitarian sphere. In addition, WPHF facilitates entry points for local CSOs to feed into national humanitarian responses and consultations.

WPHF L-HUB also provides local CSOs with resources for the prevention of sexual exploitation, abuse, and harassment (PSEAH). Through training sessions and resources, WPHF equips CSOs with the tools and knowledge needed to implement effective PSEAH protocols and maintain high standards of accountability. WPHF prioritises the mental health and well-being of staff and

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<sup>20</sup> All data as of October 31, 2024



volunteers, encouraging organisations to allocate resources for psychosocial support and resilience-building activities under its institutional funding stream. Through its Window for WHRDs, WPHF supports mental health services as part of its emergency protection grants for women activists, addressing the psychosocial needs of both individuals and organisations under significant stress. By fostering organisational resilience through these comprehensive support mechanisms, WPHF enables its partners to adapt to changing risks and sustain their vital work in the most challenging environments.

## Annex 4 – The IFRC Disaster Response Emergency Fund

The IFRC **Disaster Response Emergency Fund** (DREF) was established in 1979 to provide financial support to National Societies responding to small and medium disasters. The DREF is focused on provision of life-saving activities and immediate emergency services to affected communities by National Societies. The Pooled fund is accessible to all 191 National Societies, through two pillars, Anticipatory Action and Emergency Response. National Societies can access the DREF by submitting their request online via the IFRC GO platform (offline submission is also available in case of connectivity issues), which is then reviewed and approved by the IFRC based on DREF criteria and procedures. Once approved, the funds are transferred either from the IFRC HQ in Geneva or from one of the five Regional Offices.

The DREF has established a DREF Council with some of the donors, where strategic discussions are held, together with deep dive sessions on specific aspects of the funds and its commitment to the locally-led action agenda (Anticipatory Action, Insurance, Use of loans etc).


The DREF has reviewed its anticipatory action modality for imminent disaster to ensure faster availability of funds to National Societies in times of alert. This includes reducing the quantity and complexity of information requests from the National Societies, reducing the work required before the funds transfer and connecting better anticipatory action and emergency response tools for timely support and smoother transition towards response.

Recognising that English language can also be a hindrance when writing proposals/applications, the digitalisation of the DREF will also soon allow for National Societies to request allocations in the 4 official languages of the IFRC (English, French, Spanish & Arabic).

The DREF provides multi-year funding through the early action protocols modality to ensure the continuity of readiness activities, and to sustain the capacities of the National Society to efficiently implement early actions when needed. This multi-year funding mechanism includes overhead costs for the National Society.

The DREF allocations allow 40% of the budget requested by National Societies to be for support services. This include 5% overhead costs for the National Societies and HR costs to be covered (staff and volunteers) to ensure effective implementation. In addition, National Societies can request the deployment of surge personnels from the IFRC network to increase their capacities and expertise during the implementation timeframe of an operation funded by the DREF. These costs are included in the budget of the allocation and covered by the IFRC or the surge personnel deploying National Societies.

The DREF empowers marginalised groups by including them in governance and decision-making processes through its Community Engagement and Accountability (CEA) framework. This framework ensures that the voices of women, people with disabilities, and other marginalised communities are heard and considered in all stages of humanitarian action. By incorporating CEA into its operations, DREF facilitates the active participation of these groups in key decision-making bodies, ensuring their representation and addressing their specific needs. This commitment to inclusivity through CEA leads to more equitable and effective humanitarian



responses, as the perspectives of marginalised groups are integrated into planning and implementation processes.

The DREF also carries out frequent consultation of National Societies to gather their feedback and recommendations to improve all modalities of this pool funding mechanism and ensure that collective actions remain relevant, efficient and adapted to humanitarian needs. This is done through field visits and discussions with National Societies colleagues, and includes remote global consultations when reviewing tools. The DREF is also about to launch a global online feedback mechanism designed to collect valuable insights from stakeholders of the DREF regarding the effectiveness and impact of DREF supported operations.

The DREF offers the possibility to all National Societies to adjust an ongoing operation based on context and/or risk changes by submitting a specific form called “operations update”. This change modality offers flexibility with regard to changes in the type of activities, a retargeting of communities, an increase in budget or budget reallocation, an increase in the operational timeframe, and other programmatic and operational changes.

The DREF supports organisational development by providing tailored capacity-building programs and specific funding for capacity enhancement. In 2023, the DREF conducted comprehensive training sessions across all five IFRC regions, targeting National Societies and including participation from sister societies and local partners. These trainings focused on enhancing skills in areas such as financial management, project planning, and monitoring and evaluation.

The planned revision of the IFRC-DREF training package and the initiation of a mentor program aim to incorporate insights from regional trainers and collected feedback, fostering a community of practice for mentors supporting National Societies. As a member of the wider federation ecosystem, the DREF also feeds and benefits from wider and longer initiatives to reinforce local actors such as the Capacity Building Fund which strives to reinforce NS capacities in the long run.

Through the digitalisation of the DREF request process, for the last 2 years 100% of applications have been submitted, reviewed and approved through the online IFRC Go platform. This digitalisation has allowed an enhanced capitalisation of data, risk, operational learnings to contribute to National Societies capacities enhancement. These learnings are shared with the other IFRC Capacity Building Funds to ensure that National Societies development plans are also based on lessons learned from DREF allocations and will contribute to reinforce National Societies for future implementations of emergency operations funded by the DREF.

The DREF actively collects, collates and shares learning and best practices through its internal online learning platform and other resources. This platform regularly disseminates lessons learned, case studies, and success stories via reports, workshops, and online channels.

## Annex 5 – NEAR’s Change Fund

**NEAR’s Change Fund** is a locally-led, global humanitarian response fund. Established in 2022 with locally-led action in mind, the fund aims to address scarce levels of funding to local actors and showcase the possibility of transformational systems change. What makes NEAR’s Change Fund particularly unique is that it is governed entirely by local and national actors and all funds are allocated to local and national actors. The Fund’s governance body (called the "Oversight Body" or 'OB') is made up of one representative and one alternate representative from each region where NEAR has members (Latin America and the Caribbean, MENA, Africa, and Asia and the Pacific and one global representative). Members of the OB, selected through a network nomination process and election, are responsible for all core decisions related to the Fund mechanisms, the prioritisation processes, and fund awards. The OB is mandated to review and determine crisis conditions in the priority countries, declare crises, review applications, and make award decisions. Moving beyond inclusion of LNA, the Change Fund puts them at the centre of decision-making and fund allocations.

Prior to any declaration of crisis, the Change Fund considers multiple criteria, including whether a context is historically under-funded within the wider humanitarian funding ecosystem. Once a crisis is declared, pre-qualified NEAR members within the crisis context can submit a short proposal following a simplified narrative and budget template. After proposals are received, the Change Fund Oversight Body considers the merits of the proposal, and the organisation’s added value, along with various factors touching on inclusion. One is a gender lens, which is to assess programmatic interventions and budget as well as whether the organisation is a women-led organisation. Another factor is whether organisations will be serving hard to reach populations. The Fund typically awards grants between the value of US\$150,000 and US\$250,000, although smaller awards have been granted, and NEAR members are encouraged to submit joint proposals, to encourage collective effort over competition. The Change Fund is committed to continuous learning to improve its reach to diverse affected populations.

The NEAR Change Fund employs a structured and efficient cycle tailored for rapid response to crises, emphasising flexibility and local decision-making to minimise bureaucratic delays. Key to the Change Fund’s operational cycle is its agility and focus on impactful delivery. The fund is adept at declaring new acute crises and completing the grant awarding process within eight days. This quick action is enabled by simplified grant-making processes and a community-centric, transparent approach that leverages local expertise, ensuring timely, relevant, and culturally sensitive interventions. With this efficient process, the Change Fund is able to respond to humanitarian crises on the ground within two weeks.

## Annex 6 – The Global Resilience Fund

The Global Resilience Fund (GRF) emerged in 2020 at the start of the Covid-19 pandemic, when Purposeful brought together diverse funders and activist advisors from around the world, to reach and resource girls and young women impacted by, and responding to the pandemic. The Fund is a feminist pooled fund moving flexible resources to girls and young feminists in crisis. It does this in partnership with girls and young women who are impacted by, and responding to, intersecting crises. The Fund brings together a community of diverse funders and leverages their strengths and differences, to take risks collectively – including women’ funds, private and corporate foundations, multilateral agencies and international NGOs. Some examples of partners of the fund include Madre, UNICEF, Global Fund for Women, Equality Fund, Foundation for a just Society, Disability Rights Fund and Centre for Disaster Philanthropy..

In its first year GRF funded over 230 locally-led groups, 25% led by girls under 19. Since the pandemic, the GRF has moved resources to local organisations and collectives of girls and young women that are responding to and impacted by acute and protracted crises in more than 120 countries across the world – from the hurricane in Haiti, floods in Pakistan and Libya, earthquakes in Turkey, Syria and Morocco, to the ongoing conflicts in Palestine, Ukraine, Sudan and the Democratic Republic of Congo.

The core strategies of the fund include:

- **Crisis Response Funding:** The GRF distributes flexible rapid-response and long-term funding to girls and young women impacted by and responding to acute and protracted crises through a participatory approach.
- **Accompaniment and Learning:** The GRF co-curates healing and connecting spaces to support collaboration, build solidarity, and develop learning and advocacy resources by girls and young feminists responding to crises.
- **Organising and Advocacy:** The GRF develops learning and advocacy efforts with its partners and funders to amplify the efforts of and move more and better funding to girls and young women responding to crises.

The Fund has a simple and accessible application process including online forms, audio notes and visual WhatsApp messages. It holds semi-open calls for proposals and outreach through existing feminist movement networks and trusted relationships. Advisors who are girls and young women themselves accompany the entire grantmaking process – identifying groups to support, doing critical outreach, reviewing applications, making decisions and accompanying the work of the grantee partners. The advisors (who are compensated for their time supporting the fund) come from diverse world regions, communities and identities and are key to driving the GRF’s overall strategy and approach.

The GRF aims to nourish a thriving funding ecosystem for girls and young women. in the war in Ukraine and more recently in Morocco during the Earthquake, private and public foundations pooled money through GRF as they were not able to move money quickly to groups on the ground.