## **Episode 3: How to Support Localization**

**Terry**: Welcome to the 'Pathways to Power' Podcast Series, Episode 3: how to support localization. I'm Terry Gibson and I've been linking up with people in twos and threes on Skype and in phone calls - conversations have spanned continents linking people working at the front line of development and humanitarian response with others, who draw alongside them.

Episode 1 concluded that localization needs to be more than a buzzword. It's relevant in practice depends on engaging with grassroots situations, which it is intended to improve. Episode 2 found that localization isn't about simply shifting more money to fund short-term projects. It starts from building institutions for sustainable change. Local communities and organizations play a key role in this as they understand the needs, priorities and barriers.

This episode asks what is involved in unleashing this power and potential and how other elements of the industry can help. We've come across various buzzwords in our journey so far and here's another: 'capacity.'

**Sudhanshu:** All the time we talk about capacity – that local organizations do not have enough capacity. That's why we need to work on their behalf, and why we can't pass on funding. And I successfully challenge that. I said, if they don't have capacity then do you have the capacity to go within no time on the ground, and unfold a humanitarian response? You can't. So capacity, I broadly categorized into two: response capacity and compliance capacity. Local organizations are extremely good on response. And that's the capacity we require. If they don't write smart objectives or log frame that doesn't kill anyone, but if they are not prompt on the ground, that will kill people – no? So response capacity should be acknowledged as much as you acknowledge compliance capacity. Compliance is required for mobilizing funds, for being accountable and answerable, but that should not supersede response capacity. And that's why you need complementarity – partnership.

**Terry:** If they don't write smart objectives or log frames, that's not going to kill anyone. Sudhanshu is talking about the volume of paperwork that people have to complete to do with compliance. I really like his distinction between the two kinds of capacity: response capacity and compliance capacity. Both are important but in practice compliance capacity trumps response capacity, and that leads to an emphasis on organizations who are able to do all the paperwork.

**Rocio:** Not every organization has the capacity or ability to be able to comply with every requirement that donors are currently asking for, and that's why a lot of resources are still very much contained and managed by a very small group of organizations around the world. It becomes difficult to really move away from that. It's difficult to find new partners. To find new organizations that are doing things differently

**Lizz:** What we need to focus on is the complementarity. So understanding what the added value of each partner is, and – if possible though quite difficult – from the view of 'what is local capacity?', and how can INGOs gap-fill rather than the other way around and so really, it might be the case that international NGOs still come in with technical expertise in WASH or in Camp management or whatever that might be. But it doesn't mean that they have to lead that response, or be the only ones working on that response. So I think it's a lot more about complementarity than we are currently able to, as a sector, work out.

**Terry:** Rocio from Accountable Now and then Lizz from Christian Aid both sit on the large organization side of the industry, and they can see the problems that are created by failing to recognize local organizations as partners, and failing to recognize the capacities they bring. Shane also sits within a large organization: International Rescue Committee.

**Shane:** There is already, in any context you're working, already a local system responding to the crisis. In some places it may engage local government actors, or other society actors might be playing a more prominent role. Sometimes it's the private sector. But understanding that, as the starting point, and approaching it by asking the question, 'how can we support existing efforts?' rather than engaging in the context with assumptions that: a) ignore the existing local response to the crisis, and b) assume we can deliver, and generate, the best outcomes when we deliver services directly.

**Terry:** You might think that what Shane says is just common sense: starting with the detailed knowledge and experience that local organizations and people have is the best starting point for effective action. And yet it remains the case that people just don't get that. As Kailash illustrates in his experiences from Nepal:

**Kailash:** Many people came not to respond but to learn. It is very interesting. The thing we observe is that in some cases the country contextualization of the local knowledge is very important. For someone who might be very much experienced in the Central Asian context or African context, might not be an appropriate human resource for making response in Nepali highlands and lowlands.

**Terry:** Kailash highlights the irony of external staff coming in, and having to learn rather than act, because they don't appreciate the detailed and specific context of the Nepali highlands and lowlands. This is a brilliant illustration of the kind of imbalance between the weight put on external expertise from funders and large organizations, and the value of the experience and expertise of local organizations. Sitting behind this, inevitably, is the problem of money: the person who holds the purse strings also holds the power.

**Sumeera:** One of the things is that donors, and especially in the localizing context, can be really critical. But whenever there is funding it is only about relief materials, and some of the immediate responses. However, the institutional capacity building of the local level organization should be more emphasized, and some of the very

important policy strategies: having access to government – actually donors can work as a mediator for the local level organizations – and to support them to be a part of the larger humanitarian system. This is something that is really lacking.

**Terry:** Sumeera, like Kailash works in Nepal, and is frustrated by the insistence on short-term funding rather than longer-term flexible funding to build institutions. Sam understands this very well as her organization draws very close to small local organizations, and she can see how they really need long-term flexible support.

**Sam:** These local organizations have the trust of their communities and understand the, let's say the cycles of disasters that will happen and impact their community, but they don't have access to the goods and services, and they may not even have the knowledge of how to effectively implement the direct response, and yet they continue to find themselves on the frontlines year after year. You know, 'building capacity' is not a term we like to use because it's a patronizing idea in and of itself, but how do we help them and support them in order to be able to respond to these crises that are happening year after year in their communities.

**Rachel:** Being sustainable is a whole other thing. Every funder wants to fund organizations that will be sustainable. But then ultimately they are funding in an unsustainable way. So how can we possibly expect an organization, with the aspiration to achieve, if you're not giving them some flexible funding or some unrestricted funding, or specific seed funding for growing an income generating activity, or whatever it might be – and doing that as the standard way of giving grants.

**Terry:** Rachel works for an organization, GlobalGiving, which was founded to develop alternative funding models, which provide this kind of flexible funding, as well as seed funding to help organizations develop, grow and work effectively for sustainable development. But Sudhanshu, who left Geneva to found a local Indian organization, says too often large funding organizations lack the flexibility to reach out to the local level and provide the kind of support that would really lead to progress.

**Sudhanshu:** Even big donors say that they don't have capacity. When I was in Geneva this June for ECOSOC, I was in a group discussion, and in my group the biggest donors who are present – like USAID, DFID, etc. – a lot of them said 'we don't have capacity to manage multiple partnership with local organizations.' I said: 'You don't have capacity? Local organizations don't have capacity?' Who suffers in this process? Both don't have capacity, but the ones suffering are the local organizations: because of your 'lack of capacity.'

**Lizz:** Largely power still lies with those that have funds, and we know that it is much more difficult for local actors to access funds directly. So they do rely on, in many cases, international agencies to enable and facilitate them to be able to respond in their own communities. I can't imagine how frustrating it must be. But it is the way this system is currently and I don't think it's going to change. I don't think there will be transformational change in relation to that.

**Terry:** I can see why Sudhanshu and Lizz both chuckle. The whole situation seems a bit topsy-turvy. Large funding agencies aren't able to connect up with local organizations. Local organizations aren't able to get the resources they need to do the things that they know how to do well. It's telling that Melvin's organization has to pick and choose carefully who it partners up with for funding, to avoid being tangled up by the strings sometimes attached.

**Melvin:** From the word 'go' we've been very careful in the partnerships that we want. Not to say that we haven't burnt our fingers before, but we are very intentional in the partnerships that we come into. Where we've found that there's a lot of resistance or non-alignment, we've shied away from taking those resources, and we've suffered for that. The problem with international donors is that they're not used to rejection.

**Terry:** It's telling that Melvin's organization have to be selective about which funding they accept because of the constraint some of that funding puts on them. Is there any prospect of change? Shane and Rocio think there might be:

**Shane:** One of the key tools that we have is shifting. What we're seeing is that our major donors – USAID, DFID, etc. – over the recent 12 to 18 months in particular, the rubber has really hit the road. At the end of the day, that's where much of the power lies. I think it's urgent for donors and the UN system to come together with other international actors like IRC, and to design an approach that really disrupts the existing power structures. To start with local response and local actors.

**Rocio:** I think there are some – particularly private foundations – who have started changing the way that they're operating in the sense that they're not giving out one year project grants. They're really focusing more on investing in an organization's strategy, which in itself gives you right as an organization – a huge margin of possibilities – to test out, and roll out different types of approaches. But that's not necessarily the case everywhere and the vast majority of resources – I would dare say – they're really not in the hands of private foundations, but are really more with bilaterals. And of course there you also have other considerations – we're talking about taxpayers money – and so it becomes different.

**Terry:** We asked how to support localization: whether it's to do with knowledge, practical support, capacity building, or by providing resources. The answer from everyone we listen to seems clear: it's a matter of partnerships rather than imposing power. It's a kind of 50/50 relationship. Let's listen to Stewart, who works in rural Zimbabwe at the frontline.

**Stewart**: Donors should view communities as equal partners. They should understand that if they're bringing their own sets of instructions, the same rights should apply to the communities. Most probably we should try to evaluate the contributions that the communities make, at the end of the project, that contribute to improving any of the projects funded. That is 50/50. So then, what we are saying now is that the donors should really value our systems, value our norms, and view us as equal partners. More than recipients, because of course we are already doing

something. And again, the other issue is that donors should release to projects that communities are already doing – not just bring their own new issues, new ideas. You've got to build on what the communities are already doing. Then you'll find that those projects become sustainable.

**Terry:** Simple, really. And yet change seems really difficult. In the final episode of this podcast series we will turn the spotlight on to donors and INGOs and ask 'what is it that makes it so difficult for them to change their approach?'

You'll find the other episodes and much more information, including details of all the contributors by Googling "Global Fund for Community Foundations Pathways to Power", where you're also very welcome to contribute your own comments and join in the conversations.

Finally, my thanks to the contributors to this episiode: Sudhanshu, Rocio, Lizz, Shane, Kailash, Sumeera, Sam, Rachel, Melvin and Stewart.