HPG REPORT

The state of international humanitarian funding to local and national actors

Mike Pearson and Niklas Rieger

May 2026

Ministry of Foreign Affairs

How to cite: Pearson, M. and Rieger, N. (2026) *The state of international humanitarian funding to local and national actors*. HPG report. London: ODI Global (www.odi.org/en/publications/the-state-of-international-humanitarian-funding-to-local-and-national-actors).

This PDF has been prepared in accordance with good practice on accessibility.

Cover photo: IFRC food distribution in Mabalane district, Mozambique. © Aurélie Marrier d'Unienville/IFRC

Acknowledgements

The authors would like to thank all those who contributed to the paper, whether in defining the scope and reviewing the analysis, helping interpret our findings, or in the production and dissemination of the report. This process included a wide range of external colleagues, including Anita Kattakuzhy, Alexandra Brosnan and Brianna Guidorzi (NEAR), Björn Hofmann, Melissa Gonçalves Marques and Samar Al-Attar (Grand Bargain Secretariat), Elise Baudot (ICVA), Howard Mollett (CAFOD), Jen Doherty (ALNAP) and Nicholas Noe (Refugees International). In particular, colleagues at Oxfam were hugely supportive of this report and the authors thank them for the ongoing collaboration throughout all stages of producing the report: Hannah Cooper, Lene Grønkjær and Lizz Harrison.

The authors are grateful to colleagues at the United Nations agencies mentioned in this report who directed us to the publicly available information, and shared their understanding of and additional information on the data, without which the analysis would not be possible.

The authors would also like to express gratitude to the former Humanitarian Team at Development Initiatives, which had previously sought to provide the sector with up-to-date information on progress on localisation through *Global Humanitarian Assistance* reports and other research, which this paper attempts to build on.

A special thanks to Emma Carter who designed the charts that bring the data to life. A huge thank you as well to all Humanitarian Policy Group (HPG) colleagues who supported the production of the paper, whether that be in the peer review, project management, editing, typesetting, or dissemination of the report: Alexandra Spencer, Almas Korotana, Clement Bruce, Dustin Barter, Freddie Carver, Jessica Rennoldson, John Bryant, Kate Oliver, Nicholas Veerapen and Sara Hussain.

About this report

This paper is funded through the Humanitarian System Transformation through Local Humanitarian Leadership (HST-LHL) programme with Oxfam and partners, generously funded by the Dutch Ministry of Foreign Affairs.

About the authors

Mike Pearson is a Research Fellow in HPG at ODI Global.

Niklas Rieger is a Research Associate in HPG at ODI Global.

Contents

List of boxes, tables and figures

Boxes

Tables

Figures

Acronyms and abbreviations

CBPF	country-based pooled fund
CERF	Central Emergency Response Fund
DAC	Development Assistance Committee
ERC	Emergency Relief Coordinator
FTS	Financial Tracking Service
HPG	Humanitarian Policy Group
HRP	Humanitarian Response Plan
IASC	Inter-Agency Standing Committee
IATI	International Aid Transparency Initiative
ICRC	International Committee of the Red Cross
IFRC	International Federation of Red Cross and Red Crescent Societies
INGO	international non-governmental organisation
IOM	International Organization for Migration
LNA	local/national actor
MDB	multilateral development bank
NGO	non-governmental organisation
OCHA	UN Office for the Coordination for Humanitarian Affairs
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
RCRC	Red Cross and Red Crescent
RHPF	Regional Humanitarian Pooled Fund
RLO	refugee-led organisation
SCHF	Syria Cross-border Humanitarian Fund
TPI	third-party implementer
UAE	United Arab Emirates
UK	United Kingdom
UN	United Nations
UNHCR	UN Refugee Agency
US	United States

Executive summary

It is generally recognised that despite the call for 25% of humanitarian funding to be channelled to local and national actors (LNAs, including both non-state actors and state actors) as directly as possible, the humanitarian sector has so far failed to deliver. However, it is less well understood that we lack even a robust basis on which to hold the sector accountable. Previous estimates of the overall proportion of LNA funding have been based primarily on the Financial Tracking Service (FTS), which lacks relevant reporting from intermediaries such as United Nations (UN) agencies and international non-governmental organisations (INGOs). In the spirit of strengthening collective accountability and informing dialogue across the sector, and utilising newly available reporting since 2022, this report puts together a more comprehensive picture of the overall funding landscape for the first time by combining a range of different data sources.

This report includes funding flow data from five UN agencies (the World Food Programme (WFP), the UN Refugee Agency (UNHCR), UNICEF, the International Organization for Migration (IOM) and the Office for the Coordination of Humanitarian Affairs (OCHA)), as well as data from the International Federation of Red Cross and Red Crescent Societies (IFRC) on funding flows to Red Cross/Red Crescent (RCRC) National Societies. Despite this influx of new data, this report finds that only 9.5% of international humanitarian funding reached LNAs, directly and indirectly, in 2024 (a decrease from 10.8% in 2023). In real terms, this equates to around $3.6 billion in 2024. Preliminary data on direct funding in 2025 (i.e. without much of the UN partner financial data) suggests that the share going to LNAs remained low.

This is undoubtedly a reflection of the failure of the humanitarian sector to transfer resources, and ultimately power, to LNAs. Even with our updated dataset, we found no crisis context with a Humanitarian Response Plan in which LNAs received 25% or more of international humanitarian funding between 2022 and 2024. However, underneath the surface, multiple stories surface. Available data suggests that some contexts are 'localising' funding far better than others, but this can also be driven by who gives to whom. Whilst the UN Refugee Agency (UNHCR) is the largest provider of direct and indirect funding across 2022 and 2024, Saudi Arabia comes a close second with more bilateral government-to-government funding flows (rather than to non-governmental organisations (NGOs)). There are also some discrepancies between our analysis of independently verifiable funding flows and the self-reported amounts of funding from UN agencies. Ultimately, the data on funding to LNAs is vastly improved by the inclusion of UN partner data, the quality of which has itself improved in recent years – this development is welcome. However, at the same time, it is still not enough, as UN partner data is published with delays, and it is difficult to access and use. Owing to their size, UN agencies were the largest providers of funding to LNAs in our updated dataset. Fundamentally, our ability to hold them accountable is made difficult by the varied reporting practices of relevant UN agencies. One key recommendation is that:

Government donors should mandate UN agencies engaged in humanitarian action through executive committee decisions or similar collective governance mechanisms to publish data on their funding partnerships in an accessible, timely and interoperable fashion. Government donors should also improve their own internal tracking and public reporting of direct funding to LNAs.

However, as has become a truism over many years, it is not just about the quantity of funding, but also the quality. This is critical to prevent this discussion from becoming overly focused on raw numbers, which tends towards an unconstructive zero-sum debate about who gets what. On a substantive level, evidence from a subset of data on refugee-led organisations (RLOs) shows that grant duration deteriorates as it passes through intermediaries, whilst grant sizes from UN agencies are larger for INGOs on average than local and national NGOs. Current data suggests that the flexibility of funding is greater for international actors than national actors. And whilst there has been progress on policies and guidance on the provision of overheads, there is varied practice across donors and intermediaries.

However, the quality funding debate suffers from a paucity of available public data. This is in part a function of the lack of agreement about which aspects of quality funding matter most for LNAs, and which should be collectively monitored. Therefore, another key recommendation is:

Donors and intermediaries should agree with LNAs on a narrow set of the most important quality funding criteria to those actors and report on those publicly.

One funding mechanism with transparent and publicly available information is the Office for the Coordination of Humanitarian Affairs (OCHA)'s country-based pooled funds (CBPFs). Given that the United States (US) is pledging an initial $2 billion to OCHA's pooled fund mechanisms in the short term, and with the expectation that 'all U.S. funding of UN humanitarian work [is] to be channelled through OCHA pooled fund vehicles' in the future, according to the State Department, then analysis of CBPFs and localisation is highly salient in the current policy context (see Sturridge et al., 2026).

At the aggregate level, CBPFs managed to grant 46% of funding to LNAs in 2025, and this increases to 55% when including sub-grantees. This represents $506 million – a substantial increase on the $166 million in 2016. However, there is varied practice across pooled funds, with some localising over 70%, whilst others struggle at below 5%, and for nearly all CBPFs most funding is concentrated in the hands of only a few recipients. A key question that will soon become apparent is whether CBPFs can expand rapidly (given the $2 billion injection), and localise at the same time – the Emergency Relief Coordinator's aspiration is for 70% of CBPF funding to go to LNAs. With only 12 of the 18 countries selected for US funding disbursing to LNAs at a combined amount of $245 million, it is doubtful that CBPFs can do both things at the same time. Therefore, another key recommendation is that:

Each CBPF should publish time-bound roadmaps on how to achieve the ambitious localisation aspiration (70%), including what is required from other humanitarian actors in each context.

The localisation debate often defaults to talking about local and national NGOs, with the assumption that funding comes from donors in the Global North or intermediaries. But our analysis shows that a wider ecosystem of international actors plays a vital role in funding LNAs. The World Bank supports national governments in disaster prevention and preparedness work, 'non-mainstream' donors often support national governments or RCRC National Societies to implement humanitarian programming, whilst the International Red Cross and Red Crescent Movement itself is an often overlooked ecosystem that gets funding to LNAs, in the form of National Societies.

There are also significant gaps in our knowledge around funding flows to LNAs, including from INGOs. A subset of INGOs examined reported $717 million to the Grand Bargain in funding to LNAs in 2024, but only $14 million can be found in FTS and $24 million in the International Aid Transparency Initiative (IATI). There are also significant gaps in understanding NGO-led pooled funds, as well as domestic government funding and international private funding. Therefore, a key recommendation is that:

> INGOs and NGO-led funds should comprehensively publish timely and accessible data on the quantity and quality of funding they provide to LNAs.

Whilst the report focuses primarily on the analysis of international humanitarian funding to LNAs, further research is needed on the role of other financing sources for LNAs assisting crisis-affected populations. Our analysis finds that whether funding for LNAs is reported as development or humanitarian assistance can at times be arbitrary, providing evidence that those self-imposed distinctions of international actors might be less relevant to some LNAs. This is key in shifting thinking in the humanitarian sector towards a more ecosystems approach. We therefore recommend that:

> International humanitarian actors need to more systematically identify which resource flows and institutions already support locally led responses in crisis contexts, and enable those.

The humanitarian sector is continuing to fall short on funding LNAs. The lack of good-quality data has hindered attempts to sufficiently hold the sector to account for the commitments it has made. However, as this report shows, humanitarian actors need to make progress on both the implementation and monitoring of these commitments.

Introduction

This report aims to hold a mirror up to the humanitarian system for its commitments to shift resources and power to LNAs (including NGOs and governments). For that we use the latest available humanitarian funding data with the novel inclusion of financial datasets from UN partnerships and the IFRC Network, providing a more comprehensive view than ever before of where the money flows.

The sector-wide objective to channel at least a quarter of all humanitarian funding to LNAs as directly as possible was agreed almost 10 years ago as part of the initial set of Grand Bargain commitments (Grand Bargain, 2016) and repeatedly reaffirmed since then (e.g. Grand Bargain and DI, 2023). However, the ability of humanitarian stakeholders to independently verify progress on this commitment has been hampered by a lack of transparency, especially of intermediary organisations, which remain the largest providers of funding to LNAs. The aggregate figures published as part of Grand Bargain reporting could not be verified independently and were of limited use in determining to whom and to where this supposedly localised funding was directed. The dataset assembled for this report and our analysis of it seek to advance the transparency and independent scrutiny of the vital commitment to localise humanitarian funding. Otherwise, without the ability to independently track progress on the 25% target at global and country levels, humanitarian actors set themselves up to fail in ever reaching this goal.

The primary focus of this HPG analysis is determining how much of international humanitarian funding reaches LNAs, partly in reference to the Grand Bargain localisation commitments made by international actors. We briefly investigate other relevant sources of funding for LNAs, such as from domestic governments or multilateral development banks. We recognise that other funding sources, such as transfers from diaspora or revenue generated by LNAs themselves (e.g. through microfinance activities), are important, especially given shrinking government donor budgets, but we are unable to analyse those comprehensively given a lack of comparable data across contexts.

The aspect of the localisation debate we focus on, therefore, is the quantity and quality of funding reaching LNAs. There are many other important issues relevant to changing humanitarian responses to be more locally led, such as the role and decision-making power of LNAs in response planning or in the delivery of assistance, and those are touched upon below regarding the quality of funding. Even so, the analysis is anchored in the publicly available and independently verifiable data on funding flows as the primary topic of this report.

This report, while largely based on quantitative analysis, is also an analysis of how power is distributed in the humanitarian system. The amount of international funding reaching LNAs and their degree of freedom over how to use this funding are key determinants of their power to assist crisis-affected populations in ways they deem most effective and dignified, and it enables LNAs to meaningfully participate in or lead the coordination of humanitarian responses. We also deliberately chose to make the dataset underlying this report available in multiple languages to empower LNAs to advocate on their own behalf in country-level discussions based on independently verifiable data. And finally, the act of deciding who counts as a local actor and who does not for the purposes of the Grand Bargain

25% target is an exercise of power (see Box 1). We are conscious that we had to make some of those decisions ourselves as to which organisations correspond with the agreed Grand Bargain definitions of LNAs based on publicly available information (see the Appendix). This was required so that we could carry out our analysis; we welcome feedback on the dataset and methodology, which we intend to own jointly with the sector, and first and foremost with LNAs.

Box 1 Definition of 'local and national actors'

In this report and the underlying analysis we adopt the same definition of LNAs as agreed upon by Grand Bargain signatories, which includes both of the following (Grand Bargain and DI, 2023):

- **Local and national nonstate actors:** Organisations engaged in relief that are headquartered and operating in their own aid-recipient country and which are not affiliated to an INGO.
- **National and sub-national state actors:** State authorities of the affected aid-recipient country engaged in relief, whether at local or national level.

This means that (based on available data) we did not consider NGOs that register in aid-recipient countries and are national entities, but are internationally affiliated, as LNAs (unless they maintain independent fundraising and governance systems).

These definitions came from broad consultations across the humanitarian sector in 2017 (IASC, 2018), including among LNAs, and have been the foundation of international policy reform discussions on localisation ever since.

1 Volumes of humanitarian funding for LNAs

1.1 Data for tracking funding to LNAs

The central importance of granular, publicly available data to be able to track who is and is not localising their funding, where and how, merits a brief explanation of the data we used in this report. Figure 1 provides a visual of the datasets we combined into a unified, global dataset of humanitarian funding flows to all actors. It highlights the relative size of the datasets in terms of the years and volumes of funding to LNAs covered, and shows what datasets were newly added for this report. We are aware of funding data to LNAs in Grand Bargain self-reports, but chose not to include them in our dataset as these aggregates are not independently verifiable. In section 1.4, we compare the results from our dataset for UN agencies with the data from Grand Bargain self-reports. We are taking the approach of using data that is disaggregated so that it can be verified and analysed more closely by all interested parties.

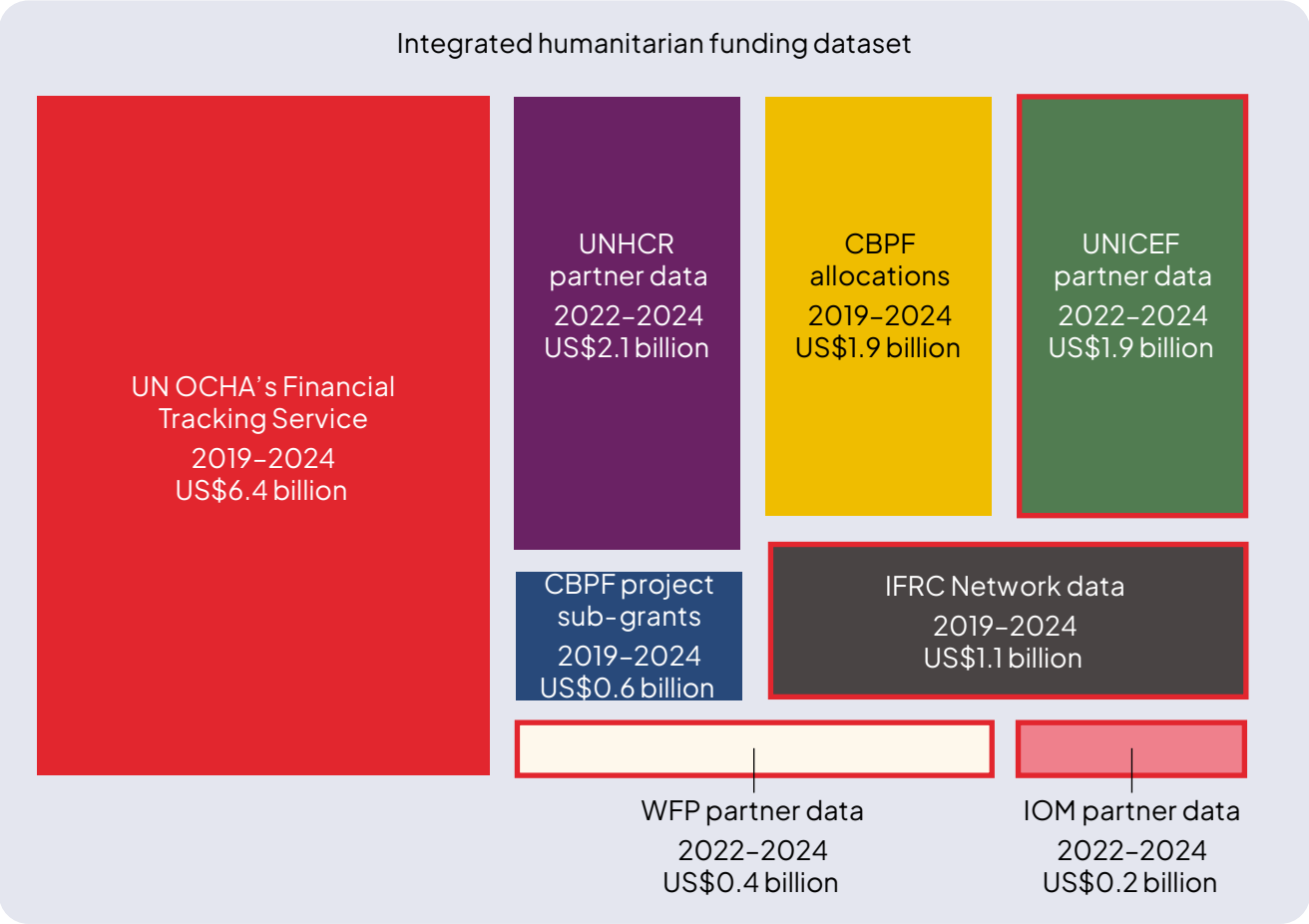
Previously, using Financial Tracking Service (FTS), UN Refugee Agency (UNHCR) and country-based pooled fund (CBPF) data, around a fifth of the total 2024 humanitarian funding figure was traceable through intermediaries. With the newly included data sources highlighted in Figure 1,[1] it is now possible to trace 61% of total humanitarian funding in 2024, whether the funding was passed on or implemented directly by the receiving organisations.[2] In other words, the traceability has improved threefold following our inclusion of new data sources.

The largest amount of funding data in our dataset is sourced from FTS, administered by the UN Office for the Coordination of Humanitarian Affairs (OCHA). FTS has adopted the Grand Bargain definitions of local/national and international actors in its dataset, so that all organisations have been sorted into these categories. The FTS dataset provides a comprehensive overview of funding directly provided by government donors and, where reported on, funding from other sources (e.g. private donors) or provided by intermediaries. However, intermediary reporting to FTS is patchy at best.

1 This assumes that the IFRC Network Databank is comprehensive on how much funding the IFRC and the International Committee of the Red Cross (ICRC) pass on to Red Cross and Red Crescent (RCRC) National Societies.

2 There could be a residual amount of international funding that cannot be traceable, if the original recipient organisation of this funding only implements directly and is therefore not publishing any data on its sub-grants or funding partnerships. Given the widespread nature of sub-contracting and implementing consortia, we think that it would be a rare occurrence for a humanitarian implementer and funding recipient not to partner with other implementers anywhere globally.

Figure 1 Data on international humanitarian funding to LNAs by source



Sources: Authors based on the visualised data sources. For more information on each data source, see the Appendix.
Notes: The funding amounts for each data source represent the total volume of direct or indirect humanitarian funding to LNAs from that source. Newly added datasets are indicated with red outlines. The data analysis in this report only spans 2019 to 2024 – some of the visualised data sources also have data in prior or subsequent years publicly available. Funding amounts are in constant 2023 prices to adjust for inflation. See the Appendix for more detail on how data was extracted and processed for each source.

OCHA's CBPFs have attracted much attention as important mechanisms to channel funding to LNAs, especially given the recent announcement of the $2 billion contribution from the US to the CBPFs (OCHA, 2025a). The funds' timely and granular allocation data is included in our analysis. The project-level data on the providers and recipients of sub-grants on projects funded by CBPFs was not publicly available at the time of writing – the CBPF office shared the project-level data directly with the authors via e-mail.

For many years, the biggest localisation transparency challenge has been that most funding reaches LNAs indirectly, according to various surveys and anecdotal evidence, but independently verifiable and comprehensive funding data from most intermediaries has either been poor or non-existent. Many government donors still prefer supporting LNAs through international intermediaries as opposed

to providing funding directly to local actors, partly to reduce their administrative burden of having to maintain many, often smaller, funding partnerships, or due to an inability at the country level to identify and establish effective partnerships. Some local or national NGOs also require cooperation with intermediaries to be able to access international humanitarian funding sources, which grants them improved risk sharing and technical support. The UN system in particular – except for the CBPFs – stood out for consistently receiving over 60% of international humanitarian funding from donors (ALNAP, 2025), but providing little to no transparency on how much of that funding was shared with UN partners in different contexts.

UN transparency is starting to improve; for the first time, this report combines data from OCHA's FTS and CBPFs with partner funding data from four major humanitarian UN agencies: UNHCR, UNICEF, WFP and IOM (see the Appendix for more detail on each data source and how we processed the data). However, the UN partner information for those agencies is difficult to access and analyse – stored in long PDF document tables scattered across websites – which severely hinders scrutiny. That aside, making this partner data publicly available is commendable progress by these UN agencies towards more transparency of their funding partnerships, including with local actors.

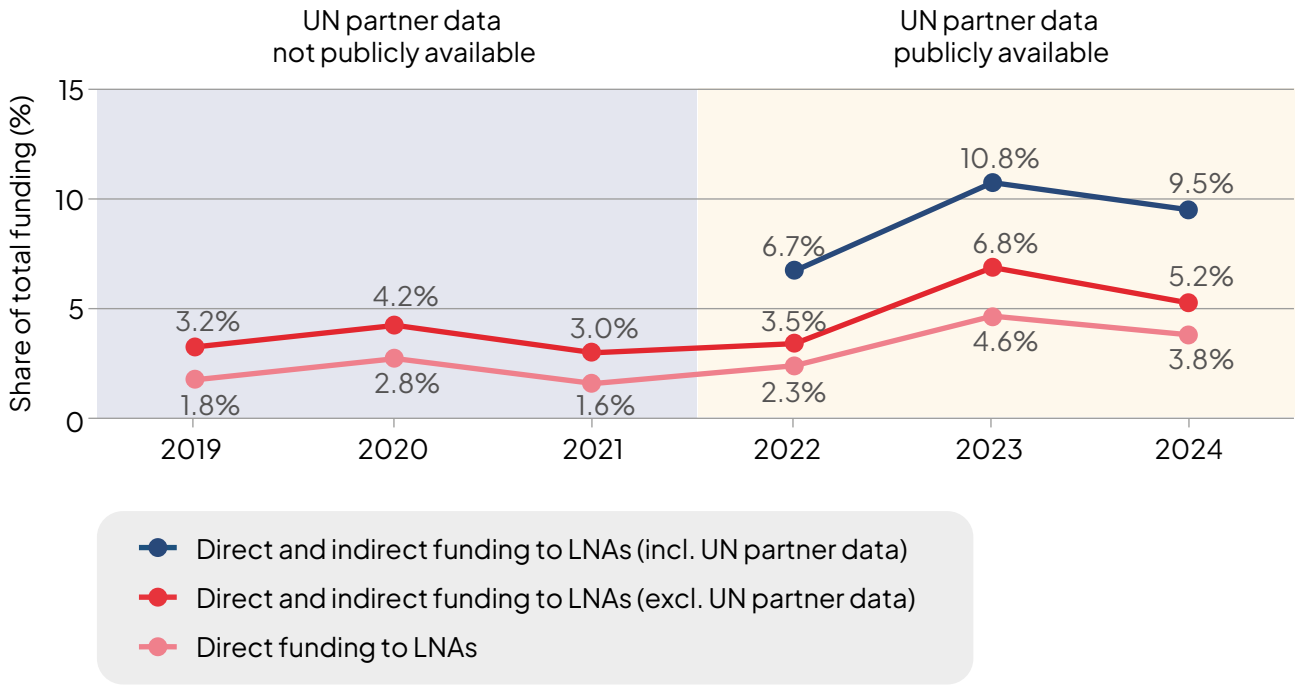
We also included for the first time data from the IFRC Networks Database on funding to RCRC National Societies from different sources, providing a more comprehensive picture than before of the role of those local actors in the humanitarian funding environment.

There is still much room for improvement on making data on funding for LNAs more transparent and accessible, thereby hopefully increasing accountability and accelerating overdue localisation progress. Our corresponding recommendations are included at the end of each chapter and in the executive summary.

1.2 Volume of funding to LNAs

The percentage of global humanitarian funding reaching LNAs was just below 10% in 2024 (Figure 2) despite the novel inclusion of partner funding data from four major UN agencies. This presents a small decrease compared to 2023 (10.8%) and remains far below the 25% Grand Bargain target. However, there are gaps in the data: on funding from INGOs, remittances, diaspora contributions, and funding from domestic governments, meaning there might be additional funding to LNAs than is publicly reported. When excluding UN partner data for 2022 to 2024, we see the same trend of the share of direct and indirect funding to LNAs increasing in 2023 before dropping again in 2024.

Figure 2 Proportion of total humanitarian funding reaching LNAs directly and indirectly, 2019–2024



Source: OCHA's FTS, IFRC Network Database, IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data.
Notes: The denominator consists of the total global volume of direct funding as reported to OCHA's FTS in each year. For 2022–2024, the humanitarian funding amounts received by UN agencies with partner data (IOM, UNICEF, WFP and UNHCR) in each year are taken from their own reports instead of FTS. This total is used for better comparability of funding data within this report and might differ from global humanitarian funding trends calculated based on other sources (e.g. OECD DAC data) in the *Global humanitarian assistance report* (ALNAP, 2025). UN partner data for those four agencies is publicly available only in those three years at the time of writing. For more information on how the different datasets on funding to LNAs were merged while avoiding double-counting, see the Appendix. Sub-grants on CBPF projects were excluded from the percentage calculation as these include more than one intermediary before funding reaches LNAs (see the Appendix).

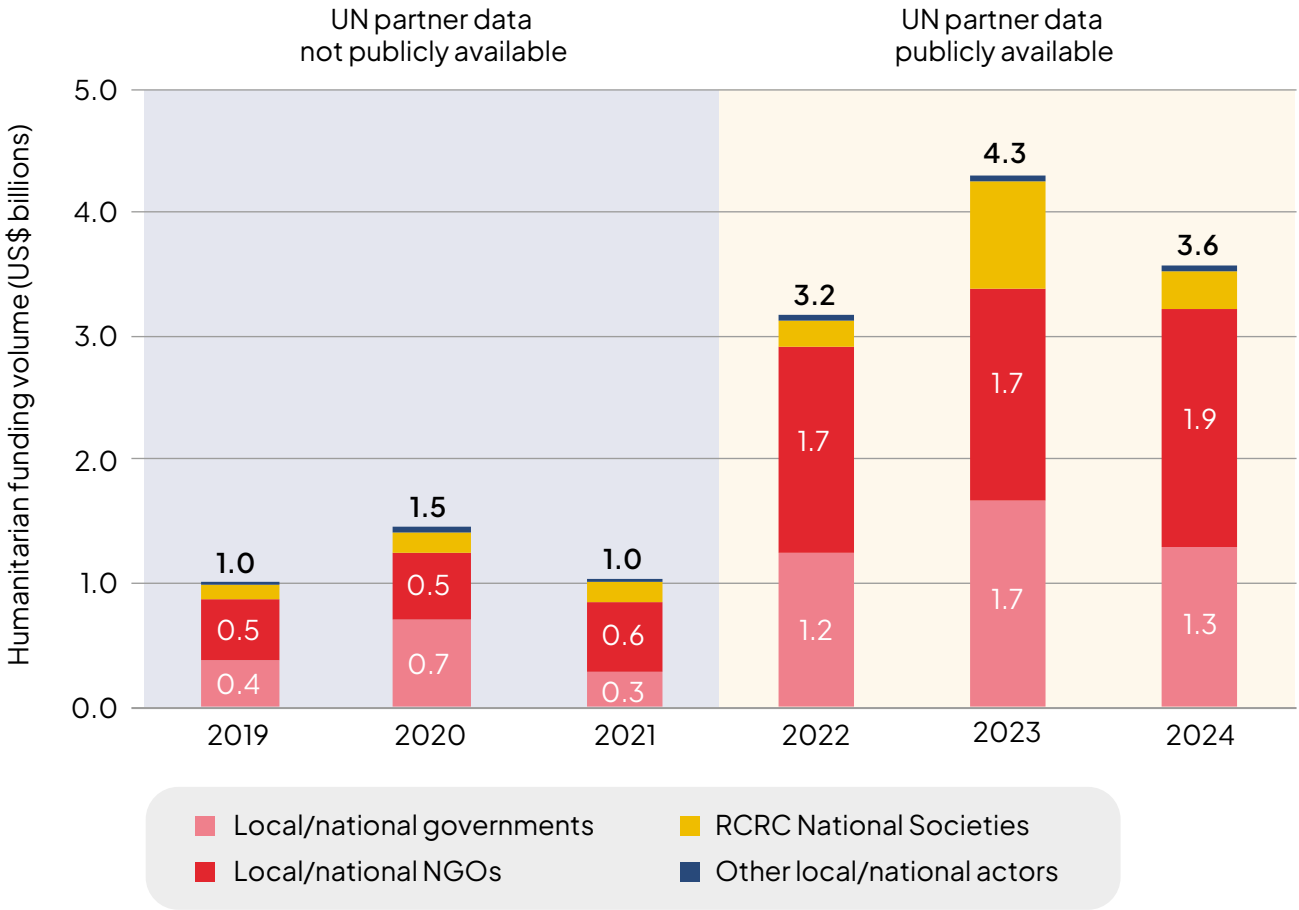
Direct funding to LNAs remained low in 2024 at 3.8% ($1.4 billion), only slightly higher than in 2020 (2.8%) and decreasing from the period high of 4.6% in 2023.[3] This means that international donor governments and private donors (with available data) reduced their direct funding to LNAs from 2023 to 2024 by significantly more – dropping by over a fifth (22%) – than they reduced their overall humanitarian funding (6%). This apparent deprioritisation of direct funding to LNAs by international

3 These percentages differ slightly from those in the most recent *Global humanitarian assistance report* (ALNAP, 2025) due to the inclusion of new data sources (IFRC Network Databank), small retrospective changes in FTS data and ongoing improvements in organisational classifications.

donors does not bode well for 2025 and beyond (see Box 2), given the shrinking budgets across many donor governments (ALNAP, 2025) – particularly the US, previously a champion for the localisation of humanitarian funding before the cuts imposed by the second Trump administration.

The total volume of direct *and* indirect funding received by LNAs in 2024 was $3.6 billion, a 17% drop from the previous year (Figure 3). Funding volumes to LNAs in 2023 at $4.3 billion were the highest in recent years according to available data. Total humanitarian funding dropped by only 6% from 2023 to 2024, meaning that direct and indirect funding to LNAs decreased disproportionately between those years. This is undoing some of the progress made in 2023 in growing funding volumes to LNAs, as the year-on-year increase then occurred despite global total humanitarian funding reducing by 16% compared to 2022 (ALNAP, 2025).

Figure 3 Breakdown of direct and indirect humanitarian funding to LNAs by type, 2019–2024



Source: OCHA's FTS, IFRC Network Database, IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data.
Notes: Data on sub-grants to partners for four UN agencies (IOM, UNICEF, WFP and UNHCR) is only available for 2022–2024. For more information on how the different datasets on funding to LNAs were merged while avoiding double-counting, see the Appendix. Data is in constant 2023 prices.

Box 2 Preliminary data on direct funding to LNAs in 2025

Given that FTS tracks humanitarian funding in close to real time,[i] there already exists preliminary data on the volumes and percentage of direct humanitarian funding reaching LNAs in 2025. Unfortunately, data on indirect funding from intermediaries reported to FTS has large gaps, and most of the data sources used in this chapter to provide a more comprehensive picture on funding through intermediaries (mostly UN partner reports) for the previous calendar year only become available after around 6–12 months' delay. Data on funding through OCHA's CBPFs in 2025 is already available and covered in Chapter 3.

There might still be updates from the time of writing to the total funding reported to FTS for 2025, but there are clear indications even now of a notable drop in humanitarian funding compared to previous years. As of late February 2026, FTS data shows a drop in 2025 funding of almost $10 billion, or over a quarter (27%), compared to the previous year. This means that there was significantly less humanitarian funding available for all actors that year, whether international, national or local.

The share of direct funding reaching LNAs remained similar in 2025 compared to the previous two years at 4.4%, according to FTS data from late February 2026. Given the reduced volume of overall funding in 2025, this meant that the direct humanitarian funding volume to LNAs also decreased by about a quarter. The largest providers of direct funding to LNAs continued to be Gulf donors, with Saudi Arabia providing over 60% of this funding (mostly to the governments of Yemen and Syria), followed by the Qatar Fund for Development (10%) and the UAE (8%). Funding from the US to LNAs dropped from around $50 million annually between 2022 and 2024 to only a tenth of that ($5.4 million) in 2025. Another notable change is the doubling of direct funding to LNAs from the United Kingdom (UK) from around $20 million previously to $42 million in 2025, though concentrated among a small number of recipients, with half of that amount going to the Social Fund for Development in Yemen and the Aid Fund for Syria combined.

[i] FTS data on humanitarian funding in 2025 is still subject to change until at least the end of Q1 2026. However, the proportion of funding reaching LNAs directly is unlikely to change drastically by then, as there is no reason to believe that it would be systematically under- or over-reported to FTS relative to all other funding at the time of writing.

The significant increase in funding volumes to local actors from 2021 ($1.0 billion) to 2022 ($3.2 billion) is due to newly available public data for the four aforementioned UN agencies on their funding to partners. Discounting this new data, the total funding to local actors still would have increased to $1.6 billion in 2022. The additional $1.5 billion in funding to local actors that year from those four UN agencies due to newly available data clearly shows the importance of change within the UN system in advancing localisation commitments. Those four UN agencies absorbed over half (56%) of total global humanitarian funding in 2022, according to the dataset underlying this analysis.

Local and national NGOs were the largest funding recipient type among local actors almost all years from 2019–2024, receiving on average around half of funding to LNAs each year. Only in 2020, local and national governments received a greater share of funding compared to other local actors due to unusually large volumes of funding in support of their Covid-19 responses. The United Arab Emirates (UAE) alone reportedly provided in-kind assistance with a nominal value of over $300 million to various governments that year. The average share of total funding to local actors received by local and national NGOs was around half both before and after UN partner data became publicly available.

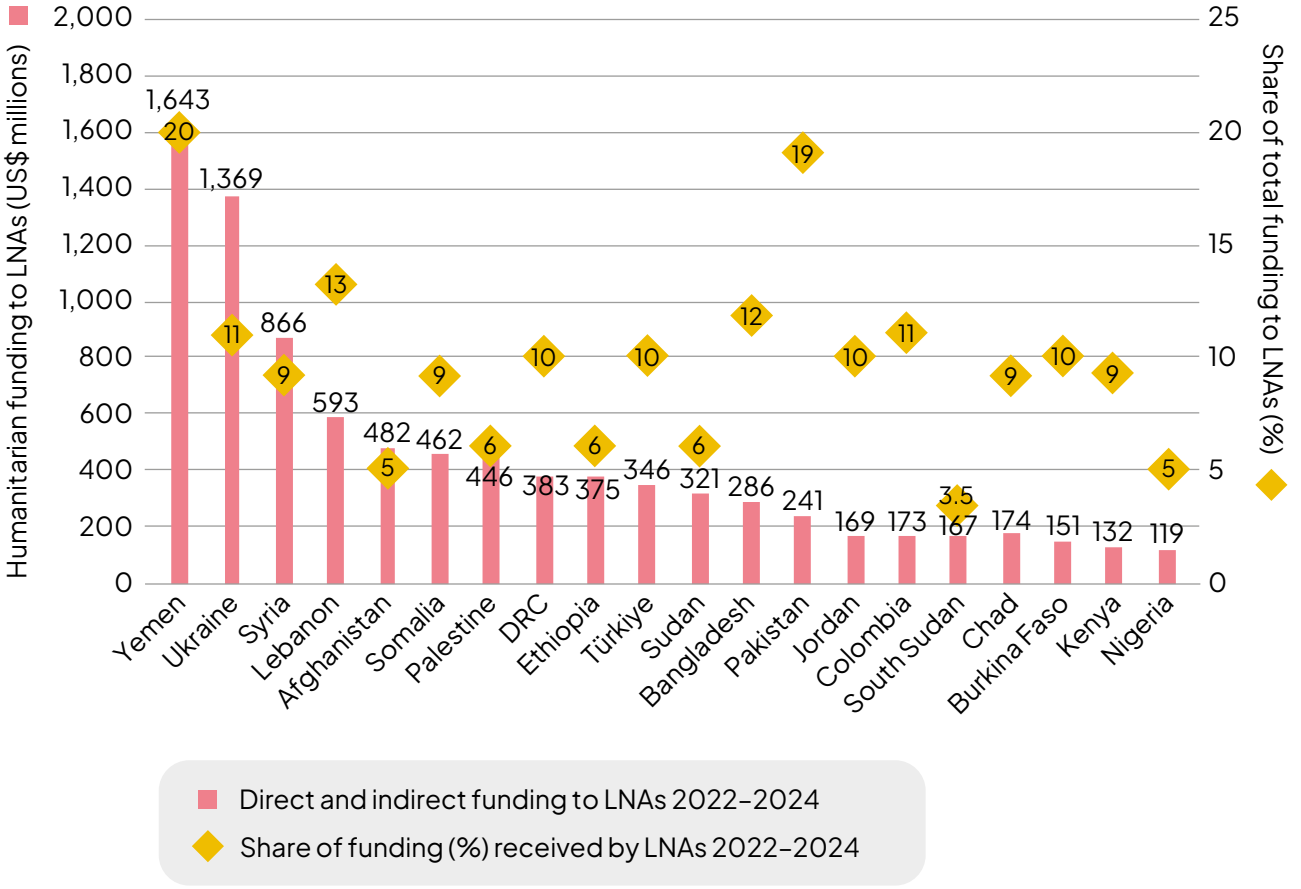
Local and national governments consistently received slightly more than a third of total funding to LNAs according to available data from 2022 to 2024. In previous years, those volumes fluctuated more strongly, often driven by large swings in funding reported by Gulf government donors to national governments, usually in the Middle East and North Africa region.

RCRC National Societies operating in the countries they are headquartered in received around 10% of total funding to LNAs in most years. There is an outlier in the 2023 data, when RCRC National Societies received 20% of total funding to local actors that year. This was largely driven by the Lebanese Red Cross and the Syrian Arab Red Crescent both reporting the receipt of large volumes of funding (over $220 million each) that year, mostly channelled to them through the RCRC Network.

1.3 How funding reached LNAs

Even with our updated dataset, we found no crisis context with a Humanitarian Response Plan (HRP) in which LNAs received 25% or more of international humanitarian funding between 2022 and 2024 (Figure 4). The three contexts in which local actors and national actors received the largest amounts of humanitarian funding were large-scale humanitarian responses between 2022–2024 (Yemen, Ukraine and Syria), though the share of funding received by those actors differs across contexts.

Figure 4 Funding to LNAs in the top recipient countries of humanitarian funding to LNAs, 2022–2024



Source: OCHA's FTS, IFRC Network Database, IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data.
Notes: Funding figures are aggregated over the 2022–2024 period. Total funding to each country for the share of funding received by LNAs is calculated using OCHA's FTS. Data is in constant 2023 prices.

LNAs in **Yemen** received the largest volumes of humanitarian funding between 2022 and 2024, making up one fifth of total humanitarian funding to Yemen in that period. This is mostly due to Saudia Arabia reporting over $1 billion in direct support to various ministries of the Yemeni government, with UNICEF and the UK government also reporting around $240 million in funding to the Yemeni Social Fund for Development. Not captured in Figure 4 is international development funding to the Social Fund for Development from, for example, the Arab Fund ($8 million in 2020–2021) or Germany ($6 million in 2021–2022), showing the fluidity between humanitarian and development resources supporting domestic actors' crisis response.

In **Ukraine**, it was an near-even split between funding going through the government ($748 million) and local/national NGOs ($828 million) from a variety of donors including governments, UN agencies and the Ukraine CBPF. Ukraine is a special case given that international donors, notably the US,

European Union (EU) institutions and Germany, channelled over $13 billion of official development assistance (ODA) annually to the Ukrainian government between 2022 and 2024 (OECD, 2026). Most of that funding is not reported as humanitarian assistance and therefore not captured in the dataset underlying the analysis in Figure 4. On the Organisation for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) reporting platform, this funding is reported under the sectors for general budget support or public administration and finance, which are separate from the humanitarian DAC sector. It is not possible to discern how much of this funding the Ukrainian government may have used for humanitarian assistance domestically, but this case shows the vital importance in terms of scale and flexibility of broader crisis finance in support of governments coordinating domestic humanitarian crisis responses.

In **Syria**, funding to LNAs was almost entirely channelled to local/national NGOs ($350 million) and the Syrian Red Crescent ($32 million). Over half of that funding to local/national NGOs came from the Syria Cross-border Humanitarian Fund (SCHF) CBPF.

Pakistan also stands out with LNAs receiving a high share of humanitarian funding between 2022 and 2024 of almost one-fifth (19%), again driven by Gulf donors. The UAE and Saudi Arabia combined provided around $56 million to the Pakistani government, including $34 million of in-kind assistance by the UAE. UNHCR and UNICEF were also significant donors to LNAs in Pakistan, with both providing a total of $38 million to the government and UNHCR providing $47 million to local/national NGOs in that period.

Local actors received around 5% or less in many countries with HRPs between 2022 and 2024, with the lowest shares in Cameroon (2.2%), the Central African Republic (3.3%) and South Sudan (3.8%). The gaps in our data on funding through INGOs means the actual percentages might be slightly higher in those contexts.

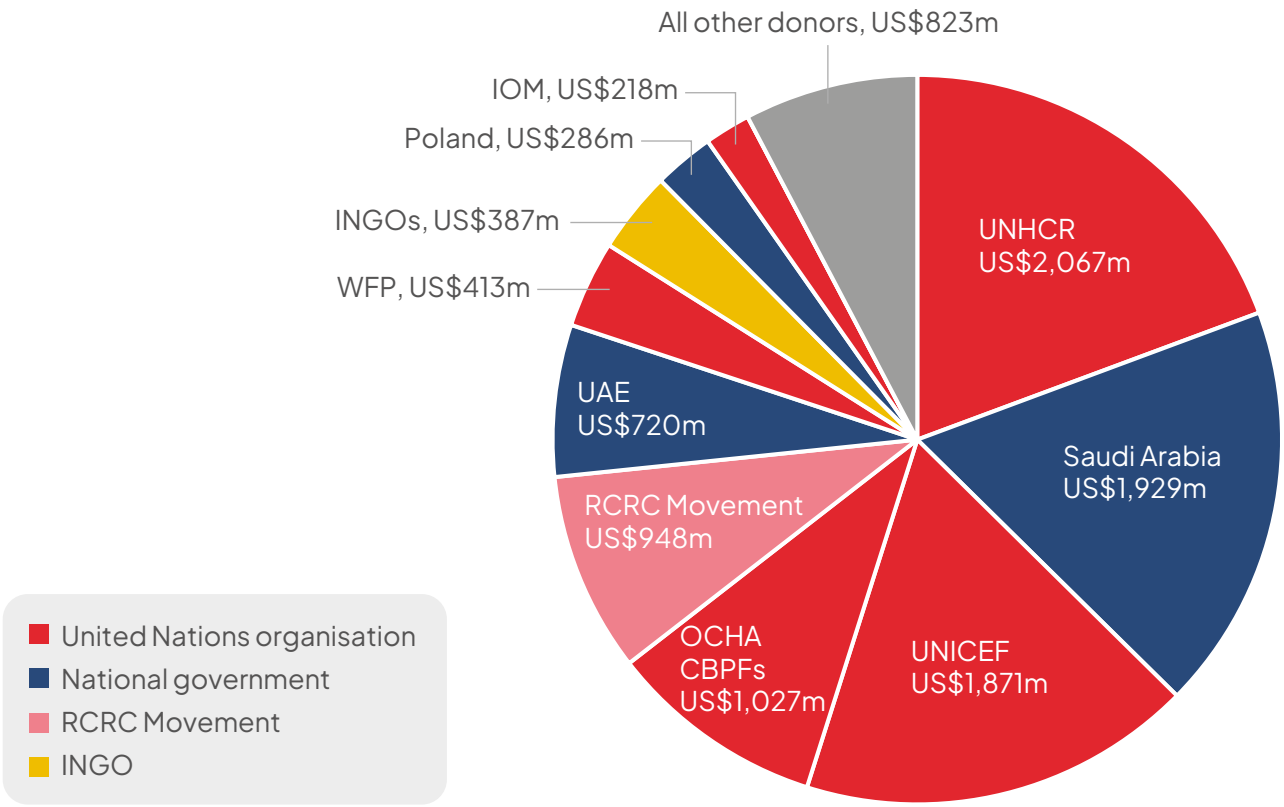
While the newly updated dataset underlying this analysis by country is now more comprehensive than ever before (see section 1.1 outlining data availability), further investigation at the country level is required to explore the reasons driving the differences between the shares of funding reaching LNAs in different contexts, through an often similar set of intermediaries.

Owing to their size, UN agencies were the largest providers of funding to LNAs between 2022 and 2024, followed by Gulf donors and OCHA's CBPFs. According to newly available data, UNHCR ($2.1 billion) and UNICEF ($1.9 billion) were the first- and third-largest providers of funding to LNAs across those three years (Figure 5). WFP was the sixth-largest provider of funding to local actors with $413 million, around a fifth of UNHCR's or UNICEF's volumes, despite WFP receiving more humanitarian funding than both those agencies over the three years.[4] IOM provided $218 million to LNAs between 2022 and 2024

4 WFP data in our analysis only includes field-level agreements with NGOs and therefore might underestimate the amount of humanitarian funding WFP passed on the LNAs due to excluding partnerships with governments.

according to our calculations. Relative to the overall humanitarian funding that those four UN agencies received between 2022 and 2024, their shares of humanitarian funding to LNAs were 17% for UNICEF, 13% for UNHCR, 3.0% for IOM and 1.5% for WFP.[5]

Figure 5 The 10 largest providers of direct and indirect funding to LNAs, 2022–2024



Source: OCHA's FTS, IFRC Network Database, IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data.
Notes: Funding figures are aggregated over the 2022–2024 period. All OCHA CBPFs are combined into the CBPF category in the graph. Data is in constant 2023 prices.

5 There are different approaches UN agencies and other intermediaries take to calculate the percentage of funding they pass on to LNAs, at times excluding from the denominator humanitarian funds used for core mandate activities or only considering funding available for partners. Our approach is to simply divide the amount of humanitarian funding provided to LNAs by all received humanitarian funding (including, subject to data availability, unearmarked funding used for humanitarian activities). Our reasoning is that the Grand Bargain commitment of providing at least 25% of funding to LNAs applies to all humanitarian funding from signatories globally.

Saudi Arabia ($1.9 billion) and the UAE ($720 million) ranked second and sixth, respectively, in terms of the largest providers of humanitarian funding to LNAs between 2022 and 2024, mostly due to large volumes of assistance given directly to specific governments in the Middle East and North Africa region (see also Box 3). The largest recipient of Saudi support was the Yemeni government with over $1.0 billion between 2022 and 2024. Saudi support to the Ukrainian government – in the form of petroleum products for power generation with a reported value of $300 million in 2022 (according to FTS) – is a notable exception to Saudi Arabia's focus on LNAs in the Middle East and North Africa region. The largest recipient countries of UAE's support to LNAs were the occupied Palestinian territories ($135 million), Lebanon ($126 million) and Türkiye ($99 million). A large share of the UAE's funding to those three governments was reportedly in the form of in-kind support of, for example, medical supplies, the construction of field hospitals or logistical services.

OCHA's CBPFs directly provided $1.0 billion[6] to LNAs between 2022 and 2024, exclusively channelled to local/national NGOs, with additional funding ($336 million) reaching LNAs as sub-grantees on CBPF projects.[7] The SCHF provided the largest volume of funding to LNAs during that period ($179 million), followed by the Ukraine CBPF ($135 million) and the Somalia CBPF ($110 million).

According to available data, the International Red Cross and Red Crescent Movement provided $948 million to LNAs between 2022 and 2024, with 93% of that amount directed to RCRC National Societies. The largest individual provider of funding within that is the UAE Red Crescent Society ($287 million) based on FTS data – mostly providing in-kind support to the Syrian Arab Red Crescent Society ($225 million) in 2023. FTS was the primary source here because the IFRC Network Database only includes the donor organisation types, and not names, for all funding to RCRC National Societies.

Though funding from INGOs to LNAs is not yet comprehensively reported on publicly (see the Appendix), all INGOs in our dataset combined provided a total of $387 million to LNAs from 2022 to 2024, almost entirely directed to local/national NGOs (97%). The largest providers in that donor group were the Rahma International Society ($60 million), CARE ($35 million) and GOAL ($13 million).

6 This figure is in constant 2023 prices to account for inflation and might therefore differ from the figures in Chapter 3, which are in current prices to more closely align with the CBPFs' own calculations.

7 Between those two funding amounts of CBPF allocations to LNAs and funding received by LNAs as sub-grantees on CBPF projects, around US$50 million are double-counted across those three years in cases where national NGOs are the recipients of CBPF allocations and providers of sub-grants to other LNAs.

Box 3 Data on direct funding to LNAs from government donors

There is a notable dearth of government donors that are also Grand Bargain signatories in the top 10 providers list in Figure 5. The total amount of direct funding to LNAs by all government donors that are also signatories in our dataset amounts to only around **$0.5 billion** from 2022 to 2024, which even when combined would not be enough to place in the top five donors of funding to LNAs in that period. In the latest Grand Bargain self-reports, a total of only $77 million was reported as going directly to LNAs from governments. This cumulative figure came from only half of the government signatories; those remaining either did not track this internally or do not provide any direct funding to those actors. The main reason for those low volumes of direct funding to LNAs is that most of those government donors seek to progress their localisation commitments by relying on intermediaries to pass on their funding to LNAs. OCHA's CBPFs are the most referenced intermediary of choice in those donors' Grand Bargain self-reports, with some donors including an emphasis on passing on funding to LNAs in their strategic partnerships with INGOs.

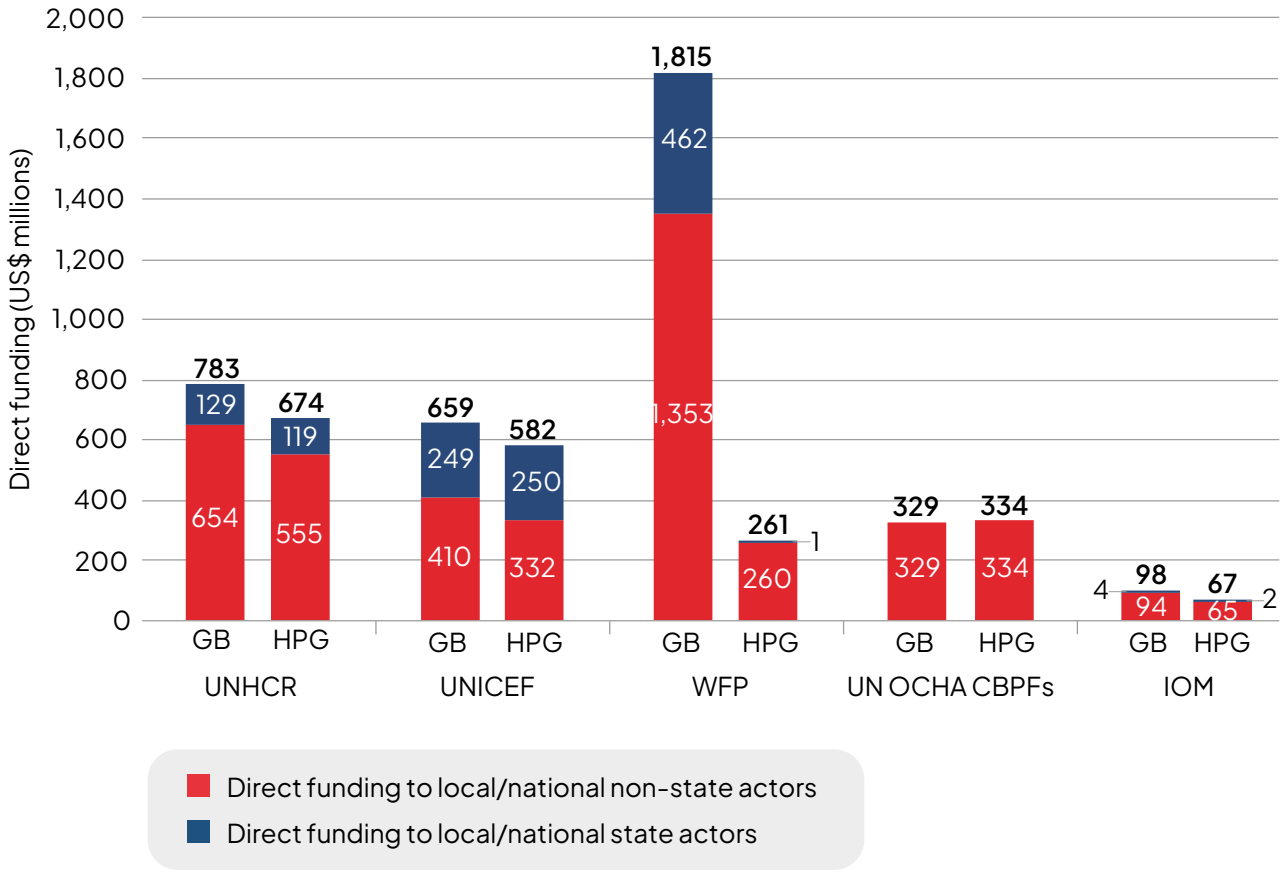
Government donors therefore play a considerably smaller role in advancing transparency and accountability on localising humanitarian funding than could be expected given their decision-making power over where and to whom to direct funding, even if most donor budgets are under pressure. There is only a small number of government donors that systematically track and publish their volumes of direct funding to LNAs. Many of the largest humanitarian government donors already publish data on their funding to the International Aid Transparency Initiative (IATI) standard (Publish What You Fund, 2024), but the recipient organisation types within IATI are not yet aligned with the agreed Grand Bargain definitions of LNAs, and ingesting data from IATI to FTS continues to be a work in progress.

Government donors should improve on their internal tracking and public reporting of direct funding to LNAs, aligned with Grand Bargain definitions and interoperable with, if not directly reported to, OCHA's FTS. Those government donors relying on intermediaries to advance on localisation should also set out clear requirements on the public reporting of disaggregated data by those intermediaries on their pass-through funding, again aligned with Grand Bargain definitions and to public aid reporting platforms.

1.4 Comparison of UN funding to LNAs and Grand Bargain self-reports using public datasets

The self-reported amounts of funding to LNAs from UN actors show small differences for four of the five agencies from those based on independently verifiable data analysed for this report, but they differ greatly for WFP. The aggregate nature of the Grand Bargain self-reports makes it challenging to fully understand the reasons behind the differences visualised in Figure 6.

Figure 6 Comparison of Grand Bargain self-reporting and HPG analysis of independently verifiable datasets on funding to LNAs, 2024



Source: IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data, Grand Bargain self-reporting datasheet.
Notes: GB: Grand Bargain self-reported figure. HPG: Figure calculated by authors based on publicly available data. Funding data is in current prices. For more detail on the data sources for HPG's analysis of UN funding to partners, see the Appendix.

The volume of funding to LNAs provided by WFP in its Grand Bargain self-report is almost seven times as much as we calculate based on publicly available data, with the latter not capturing most funding through governments that is included in the former. But even if we limit the focus on funding to local/national NGOs, WFP's self-reported figure is still over five times as large as that calculated based on WFP's publicly available data for this report. The stark difference between the two sets of WFP funding data in Figure 6 raises a question as to what extent the self-reported amounts align with the Grand Bargain definitions. However, our understanding is that WFP might revise the methodology to calculate the funding it provides to LNAs for future self-reports.

Part of the explanation for the large differences is likely to be, as per WFP's explanatory comments on its Grand Bargain reporting, that self-reported figures also include the value of food and cash transfers

channelled through those actors. The figure calculated by HPG is based on the total value of field-level agreements with mostly NGO partners (see Appendix), and to our knowledge excludes the value of food or cash assistance channelled through them. The caucus on funding for localisation, which closed in March 2023, stated in its outcome document that neither in-kind assistance to LNAs nor the delivery of cash assistance should count towards the commitment of increasing funding to LNAs (Grand Bargain and DI, 2023), though WFP is among the few signatories not to endorse this caucus' outcomes (Grand Bargain, 2026). Other methodological choices employed in this report might drive further, smaller differences, such as the exclusion of field-level agreements under what we classified to be development sectors (e.g. smallholder agricultural market support activities).

For UNICEF and UNHCR, the self-reported amounts of funding to LNAs are around 15% higher than calculated based on publicly available, granular data for this report. Again, it is difficult to get to the bottom of those differences given the aggregate nature of Grand Bargain self-reports. UNHCR's comments on its self-report help to clarify, to an extent: unlike WFP, it excludes cash or in-kind support to its partners. Both UNHCR and UNICEF include in their public datasets a classification of their partners by organisation type, including whether they are LNAs, which also helps with understanding their methodologies. We exclude small amounts of funding from LNA funding totals for what we identify to be internationally affiliated NGOs that in our opinion should be classified differently (see the Appendix), but those differences are not large enough to drive the discrepancies visualised in Figure 6. For UNICEF, we had to identify within its global dataset on partnerships what activities or partnerships should be classified as humanitarian based on our own methodology (in the Appendix). In previous years, UNICEF as per its reporting comments made this decision based on the source of funding for its partnerships, and given that the data on linking UNICEF's incoming funding with outgoing funds to its partners is not available to us, this might be another reason behind the differences in Figure 6.

For IOM, even though the self-reported amounts of funding to LNAs are almost 50% larger than amounts calculated based on granular data for this report, the difference in volumes is small ($31 million) compared to other UN actors. Once more we can only guess what drives those differences, which might be rooted in our methodological choices, such as the classification of partners as local/national. In addition, IOM partnerships amounting to $30,000 or less are not included in its publicly available dataset, which might exclude IOM partnerships with smaller, community-based organisations from the publicly available data.

OCHA's CBPFs have the closest match between self-reported amounts of funding to LNAs and those calculated based on independently verifiable data, with a difference of only around 1% (Figure 6). The CBPFs' own online platform, which is updated in real time and retrospectively since the self-reports were produced, shows $333 million of direct funding to national NGOs at the time of writing, which is even closer to the $334 million calculated for this report. The remaining small difference can be explained by the additional inclusion of funding to RCRC National Societies in this report's dataset. In the CBPFs' own dataset, this funding is classified as being directed to the International Red Cross and

Red Crescent Movement but not disaggregated further by which of those actors are international or national actors, and therefore not included under funding to LNAs. We added this level of disaggregation in the dataset underlying this report.

Recommendation: UN agencies to improve reporting on funding they pass on to other actors

Our analysis shows that based on newly available UN partner data for four UN agencies[i], they are combined the largest providers of humanitarian funding to LNAs owing to their size and large number of implementing partners. However, donors that rely on their intermediaries to progress their own localisation commitments often seem unable or unwilling to impose bilateral reporting requirements on UN agencies' pass-through funding, perhaps due to an aspiration to be flexible donors. Our recommendation is therefore to embark on a collective effort, building on the existing partner data that some of the largest UN agencies already helpfully started to publish:

Government donors should mandate UN agencies engaged in humanitarian action through executive committee decisions or similar collective governance mechanisms to publish data on their funding partnerships in an accessible, timely and interoperable fashion.

This means publishing the data in easily machine-readable formats (e.g. CSV files) and closer to real time (currently, there is a delay of up to a year in UN partner data being published). For better interoperability, it should include a minimum set of standardised fields, including USD amount, year, country, recipient organisation name and recipient organisation type (matching Grand Bargain definitions). For dual-mandate organisations working across humanitarian and development assistance, the data should also include sectoral classifications that make this internal separation clear to data users.

Such a collective transparency effort by the UN system would also mitigate the need for bilateral reporting on partnerships to individual donors that request this information and hopefully reduce the reporting burden in the medium to long term.

[i] UNHCR, UNICEF, WFP and IOM

2 Quality of funding for LNAs

Quality funding refers to a range of practices and funding arrangements that enhance an organisation's ability to deliver humanitarian response more efficiently, more effectively and more equitably. There is no strict definition of quality funding, and a Grand Bargain policy brief acknowledges: 'predictable and flexible funding were presented separately across two different commitment areas [...] in the intervening years, humanitarian organisations have repeatedly made the point that predictability needs to go hand in hand with flexibility' (Grand Bargain, 2020).

However, there are a range of quality funding practices that go beyond this, including: funding duration, earmarking, flexibility to adapt, reporting requirements, manner and timeliness of disbursements, funding accessibility, and whether funding enables locally led response (DI and NRC, 2023). Many of these practices are not necessarily captured quantitatively in global reporting systems, and thus are not explored extensively in this report. However, grant duration, earmarking and the provision of overheads are analysed using available data that is often imperfect. Grant sizes are also analysed. Although grant sizes are a less cited property of quality funding, they are also relevant to the efficiency of humanitarian response.

It should also be noted that no determination is made regarding the drivers of providing quality funding to LNAs. As Barbelet et al. (2021) note, drivers of localisation are varied, and may relate to issues around access (for example, if international actors cannot get access to certain population), improving humanitarian response, leadership of donors and governments, and Grand Bargain commitments. While this chapter does not assess these drivers, they are nonetheless significant, as localisation does not automatically result in quality funding for LNAs. Indeed, one criticism is that localisation occurs through poor quality funding practices such as sub-contracting. The drivers and motivations of localisation may shape the quality of the funding provided to those actors.

2.1 Duration of grants to LNAs

One commonly cited aspect of quality funding is the duration of a grant, with multi-year funding considered to reduce the time spent on administration relative to humanitarian activities, to improve longer-term planning and to enable addressing needs in a more holistic way (NRC and DI, 2024). There is also evidence to suggest that multi-year funding supports organisational health and resilience, with one study finding that such funding led organisations to report efficiency gains in grant management, as well as higher staff retention (DI and NRC, 2019). The outcome document of the Grand Bargain Caucus on Quality Funding also required signatories to 'commit to correspondingly increase the multi-year funding received to their implementing partners, including local actors, and publicly report on that increase to the Grand Bargain' (Grand Bargain, 2022). Therefore, the duration of grants to LNAs is particularly important to understand whether they receive funding that enables their work in the longer term, or adds extra constraints through short fundraising or project cycles.

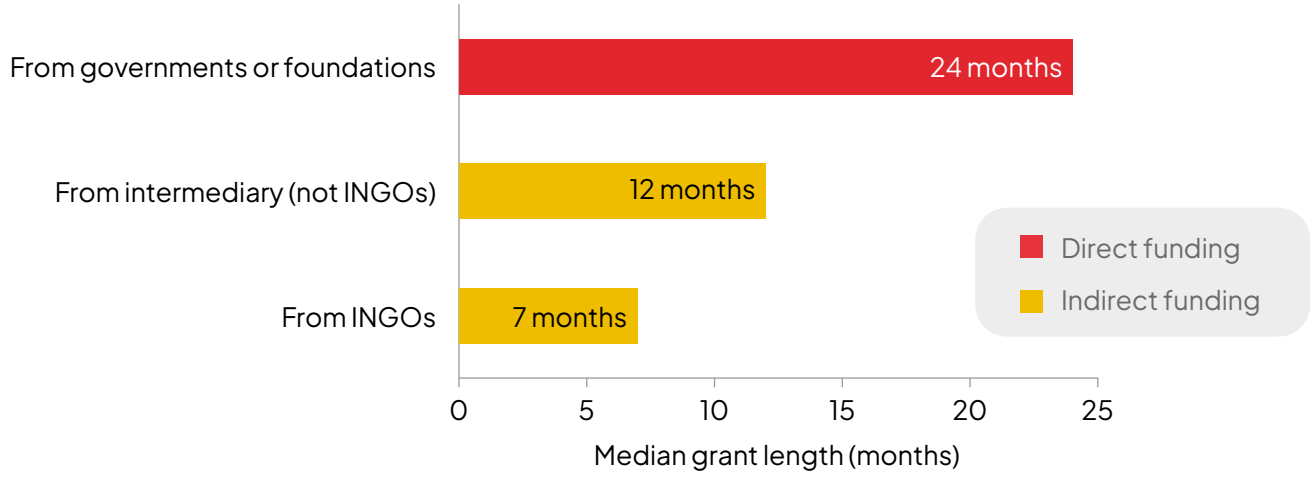
However, publicly available data on grant duration for humanitarian funding is difficult to obtain. FTS does not comprehensively capture grant duration, whilst the Humanitarian Programme Cycle Project Module operates based on a yearly planning cycle and so is not suitable for this analysis. The IATI data captures the duration of projects, which can sometimes serve as a proxy for the duration of project funding – however, organisation types are not coded consistently to enable the comparison of international actors and LNAs.

As part of HPG research on refugee-led organisations (RLOs) (see Sturridge et al., 2023; 2025), data was collected from donors and intermediaries on funding to RLOs, including duration of grants (see Figure 7). This data is not considered complete, nor necessarily representative of the whole humanitarian system. Further caution should be exercised when considering the results of the analysis as:

1. the dataset includes funding to RLOs, whether they are considered humanitarian or development;
2. the dataset includes RLOs in the Global North (and thus takes a different lens than other analyses in this report);
3. RLOs can be 'international actors', in theory.

However, the data does show how grant duration varies according to the type of provider organisation, and can be considered instructive of wider funding flows.

Figure 7 Median grant length to refugee-led organisations, according to type of provider organisation



Source: Data from analysis undertaken for Sturridge et al. (2025)

Notes: Data primarily from a funding survey with donors and intermediaries. Whilst data availability on funding to RLOs has improved, tracking funding to RLOs is difficult, and therefore the dataset is inevitably incomplete. The graph above and exact figures should therefore be viewed as indicative only. *N* = 50 for direct funding (49 foundations), *N* = 139 for non-INGO intermediaries, and *N* = 231 for INGOs.

It is important to be clear about what the data does and does not show. The data does not show the average length of funding to all RLOs (as analysis only examines RLOs with available funding data), nor does it show the difference in average duration of funding to RLOs versus other organisation types such as UN agencies or INGOs. However, the data does show how the duration of funding varies when it is provided directly and when it is provided indirectly, with the duration of indirect funding being far shorter than direct funding. For RLOs who received funding from an INGO, the grant duration was even shorter than other types of intermediaries.

This raises two points. First, direct funding from a government or foundation donor may be of greater quality in terms of grant duration to an LNA. The conclusion is that once funding passes through an intermediary, the quality of the funding degrades in terms of length, leaving LNAs with shorter grants (Oxfam, 2018). Second, given that the majority of funding provided to LNAs is indirect in nature (see Chapter 1), then the majority of LNA funding through traditional donors and intermediaries is likely to be short term, and not multi-year.

If the humanitarian sector is to increase the quality of funding to LNAs in terms of duration, there are two pathways to this. Either more funding needs to go direct from governments and foundations to LNAs (although given the current state of direct funding, this seems unlikely in the short term), or funders and intermediaries need to further consider grant duration as a key component of providing funding to LNAs.

Furthermore, the quality of funding that an intermediary passes on may be a function of the quality of funding they receive – i.e. if an intermediary receives a short-term grant from a donor, it is then not able to commit to multi-year funding to LNAs. Thus, it is also important to consider whether donors support intermediaries to be in a position to commit to multi-year funding.

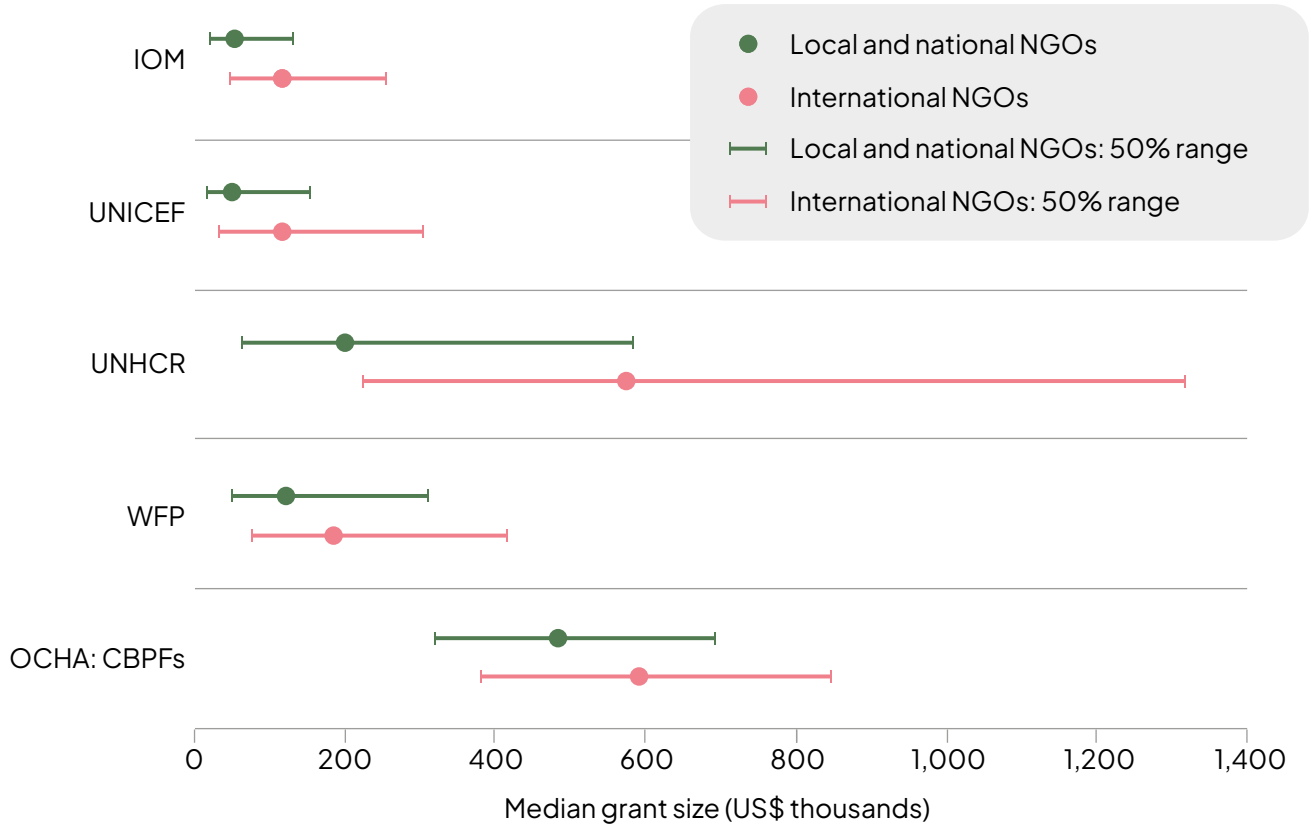
2.2 Grant sizes to LNAs

There is also variability in the grant sizes that UN agencies give to INGOs compared to local and national NGOs. As noted in a 2019 paper on pooled funds, the practice of smaller grants for LNAs raises the question of 'whether a high number of small projects is a more efficient and effective way of providing assistance on the ground than a smaller number of larger projects', in particular as the data for CBPFs suggested that 'larger grants have lower average overhead costs per dollar allocated' (Els, 2019: 18). In addition to the economies of scale argument, smaller grants to LNAs may also be indicative of the risk that UN agencies perceive with regards to different implementing partners.

Figure 8 shows that all five UN agencies analysed gave bigger grants on average to INGOs compared to national NGOs. The difference is largest for UNHCR, where the average grant size for a national NGO was $198,000, compared to $564,000 for an INGO (2.9 times larger). The gap between average grant sizes was smaller for the other UN agencies analysed, with the gap between average grants sizes for IOM, UNICEF and WFP around $60,000. OCHA's CBPFs give on average a much larger grant to a local and national NGO compared to other UN agencies ($477,000), although INGOs still receive a larger

grant on average, by about a fifth.[8] This supports other literature that finds a differential in grant sizes by organisation types, with grant sizes for RLOs ($35,000) and LNAs ($88,000) smaller than for UN agencies ($320,000) (Sturridge et al., 2025).

Figure 8 Average grant size awarded by UN agencies for national and international NGOs



Source: IOM Grant Awards Data, OCHA CBPF Data Hub, UNICEF Transparency Portal, UNHCR Collaboration with Funded Partners, WFP Field-Level Expenditures Data

Notes: Data includes grants awarded between 2022 and 2024. In order to allow comparability between years, the grants have been deflated to constant 2023 prices. Sub-grants from CBPFs are not included. The ranges show the typical range of grants to that organisation (i.e. 50% of the grants fall within this range).

8 The figures here differ from those in Chapter 3 as this chart analyses data across multiple years (2022–2024) in order to capture all data published by UN agencies with regards to grants to partners.

Despite the average grant size for national NGOs being consistently below that of international NGOs for grants from UN agencies, there is a wide range of grant sizes. Figure 8 shows the interquartile range (middle 50%) of grant values for national and international NGOs. There are a few implications of the ranges shown. On the one hand, there is significant overlap between the two ranges across all UN agencies – this shows that whilst the average is consistently lower, there will be many cases where national NGOs receive more than INGOs, and being an INGO doesn't guarantee a higher grant amount. However, the upper bound for INGOs is indeed significantly higher for all agencies (e.g. the 75th percentile for UNHCR for local and national NGOs was $572,000 compared to $1.3 million for INGOs). This implies that the ceiling for an INGO grant is much higher than that for a local or national NGO.

2.3 Earmarking of LNA funding

As part of efforts to improve the quality of humanitarian funding, the Grand Bargain committed signatories to reduce the earmarking of donor contributions. Earmarking is the practice of funders directing funding to specific projects, objectives and thematic priorities, or geographies. By contrast, funding that is more flexible is less tied to these parameters, and may look more like core funding to organisations, or to pooled funds (or only 'softly' earmarked to a CBPF), or with only small limitations on the use of funding.

The rationale behind more flexible funding and less earmarked funding is underlined in the Grand Bargain text itself, namely: more timely humanitarian response in sudden-onset crises as well as response in protracted crises, strengthened decision-making and greater ability to adapt to changes in the context for implementers, improved organisational systems, and lowered administrative costs. A full classification of the four categories of earmarking (unearmarked, softly earmarked, earmarked, and tightly earmarked) was defined by the Grand Bargain (IASC, 2016).

Since 2019, data availability on earmarking has improved greatly – in 2018, 24% of the funding volume in FTS was tagged as earmarked or not. In 2019, this improved and 80% of the funding volume was tagged. By 2024, this improved again to 97% of funding being tagged with an earmarking classification. This improvement in data completeness allows analysis of earmarking from 2019 onwards (see Figure 9).

However, the improvement in completeness of data may not have been matched by a likewise improvement in the quality of data provided. For example, examination of one EU funding flow (flow ID 307853) claims the flow is 'unearmarked' but the description notes that it is to be used for 'school repairs in Ukraine', thus implying that the funding was tightly earmarked. Another funding flow from Saudi Arabia (flow ID 282098) claims that the $300 million flow is unearmarked, but it is tied specifically to Ukraine and is to be used for 'providing petroleum products for power generation for Ukraine electric stations'. This points to an inconsistent interpretation of the Grand Bargain earmarking classifications across data reporters and thus, when flows are labelled 'unearmarked' on FTS, this may not always accurately reflect the flexibility of that funding on the ground. This would mean that there may be funding labelled as 'unearmarked' or 'softly earmarked' but that is in practice more restrictive, but more unlikely the other way around.

A look at the Grand Bargain self-reports may further demonstrate this discrepancy. EU/European Civil Protection and Humanitarian Aid Operations (DG ECHO) reported that 98.58% of its humanitarian funding was tightly earmarked in 2024 – this contrasts with only 2% reported as tightly earmarked on FTS, with 59% reported as earmarked and 32% reported as softly earmarked. At the same time, there are donors whose reported earmarking on FTS more closely aligns with Grand Bargain self-reports – for example, the Netherlands reports 52% of funding as unearmarked to the Grand Bargain self-reports, the same percentage as found in FTS.

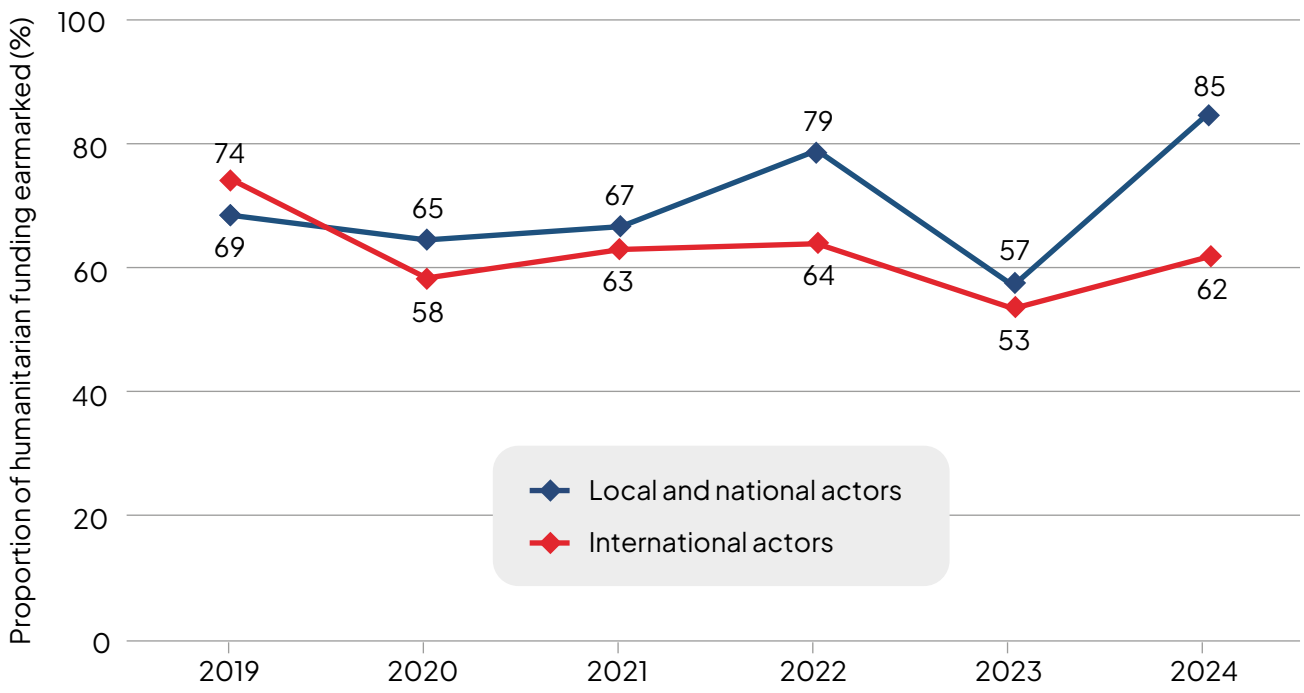
Any analysis of the flexibility of funding using FTS needs to be seen within the context of varied data quality. For the following analysis, the percentage that is labelled as earmarked or tightly earmarked is still examined. This is because there is no particular incentive to report funding as more restrictive – indeed the incentive is in the other direction given commitments on providing quality funding. Therefore, the percentages below are not viewed as precise, but lower bounds as to flexible funding practices.

The majority of funding analysed (using FTS) is earmarked, but to varying extents for LNAs versus international actors. Since 2020, the percentage of funding going to LNAs that was earmarked or tightly earmarked has been greater than the equivalent percentages for international actors.

This 'earmarking gap' has existed since 2020, with international actors receiving less tightly earmarked funding than LNAs. However, the earmarking gap in 2024 was far greater – 85% of funding to LNAs was earmarked or tightly earmarked, compared to only 62% for international actors. Yet, given the varied data quality, these percentages should be treated with caution. It should also be noted that international actors also have their own mandates and priorities, and thus earmarking may occur when funding passes through these organisations to LNAs.

The topline figures mask different drivers behind the earmarking gap. Across the total period analysed (2019 to 2024), 75% of the funding to international actors with available data on earmarking was from OECD DAC donors to either UN agencies, INGOs, UN pooled funds, or the RCRC. This contrasts with funding flows to LNAs across the same period, which were driven by different donor–recipient relationships.

Figure 9 Proportion of humanitarian funding that is earmarked, by type of recipient



Source: HPG, based on OCHA's Financial Tracking Service (FTS).

Notes: Earmarking groups together both 'tightly earmarked' and 'earmarked'. Flows with no earmarking stated are excluded from percentage totals.

Of the funding flows to LNAs across the same period:

- 52% was from non-mainstream government donors (such as Saudi Arabia and the UAE);[9]
  - Of this, 43% was to governments, and 9% to local/national NGOs;
- 16% was from CBPFs to LNAs in general;
- 5% was from DAC donors to governments.

These three types of funding flows constituted 73% of the total to LNAs. Thus, it is not the case that the same donors earmark differently for different types of recipients. The data shows that different donors are driving the funding mix for the different recipients, and therefore, LNA earmarking is potentially higher due to the different funding sources for LNAs.

9 We use the term 'non-mainstream' to refer to donors who are not part of OECD DAC. See section 4.3 for more on non-mainstream donors' funding practices in relation to LNAs.

For example, all funding from CBPFs is earmarked, whilst some non-mainstream donors heavily earmark their funding to LNAs (e.g. Saudi Arabia earmarked or tightly earmarked 93% of its LNA funding in 2024). This is different from the DAC donor–UN recipient relationship, where 68% of funding was earmarked/tightly earmarked in 2024, whilst the DAC donor–INGO relationship had earmarking at 59%.

One prominent feature of the recent history of earmarking is its sudden increase in 2024 for LNAs. This specific instance is in large part due to an increase in funding to the government of Yemen from the government of Saudi Arabia (from $338 million in 2023 to $654 million in 2024), which also increased the percentage of that funding that was earmarked (from 14% to 96%). This example demonstrates both the effect that one actor providing a large amount of bilateral funding can have, as well as the change in data provided, and thus the volatility of trends in the data when there is a relatively limited pool of LNA funding.

As noted elsewhere in the report, many funding flows to LNAs are not detailed in FTS, specifically LNAs who are partners of UN agencies or INGOs. As much of UN and INGO funding to LNAs is centred on specific projects, it is therefore likely that earmarking of LNA funding is higher than that stated above, although without further data it is difficult to verify.

It is also important to note that UN partnership information and IFRC Network data does not include any data on the quality of funding to LNAs, including earmarking. Literature suggests that LNAs report that decisions are made by donors and first-level recipients, meaning that funding is also more earmarked when it reaches them (Oxfam, 2018). This further underscores the importance of reporting to public platforms in common formats in order to improve the transparency of the quality of funding to LNAs, particularly given the large role intermediaries play in funding LNAs.

2.4 Provision of overheads to LNAs

The provision of overheads by donors and intermediaries to LNAs is a key component of quality funding. With overhead costs included in budgets, organisations can build organisational reserves, sustain and invest in human resources, deliver during gaps in funding, respond rapidly to crises, and invest in compliance, risk management and safety and security.

A recent HPG paper has found that 40 organisations now have policies or guidance in relation to the provision of overheads for LNAs, a large increase on 8 organisations in 2022 (Hassanein and Pearson, 2026; see also DI, 2022). Despite the progress in recent years, gaps in overheads policy continue to persist, including: inadequate overhead costs provided, inconsistent flexibility offered by donors, and uneven and inequitable practice both across and within organisations. This is despite the guidance from the Inter-Agency Standing Committee (IASC) that provides recommendations on how to improve policy and practice (IASC, 2022).

A full analysis of the current state of overheads provision, as well as a mapping by organisation, can be found in the HPG paper *How underfunding local organisations' overheads undermines humanitarian action* (Hassanien and Pearson, 2026).

Recommendation: Agree and publicly report on narrow quality funding criteria

The above analysis presents some of the many aspects of quality funding relevant to humanitarian actors, including LNAs. It also shows the paucity of publicly available data on the humanitarian funding to LNAs. We therefore recommend that:

Donors and intermediaries should agree with LNAs on a narrow set of the most important quality funding criteria to those actors and report on those publicly.

Within the Grand Bargain, the discussions around quality funding have focused on the level of earmarking and timeframe of funding. However, the agreed earmarking definitions were primarily framed by international actors and are less relevant to local and national ones. More recently, the provision of overheads has gained prominence as quality funding criteria where LNAs were missing out compared to international actors.

The next steps to progress the goal of better quality funding are: (1) agreeing on what aspects of quality funding are most relevant to LNAs to enable more locally led responses; and (2) defining those aspects clearly and integrating reporting on them into existing interagency reporting platforms.

3 Pooled funds and funding to LNAs

Pooled funds have been at the centre of the humanitarian policy debate in the wake of funding cuts experienced across 2024 and 2025. In March 2025, the Emergency Relief Coordinator (ERC), Tom Fletcher, said that he was asking Humanitarian Coordinators to 'prioritize local and national partners for funding from pooled funds', with OCHA assessing how CBPFs and the Central Emergency Response Fund (CERF) could be 'strategically aligned with the humanitarian reset' (OCHA, 2025b).

However, despite the alignment of OCHA-managed pooled funds with the humanitarian reset, there are also other pooled-fund mechanisms, such as UN-led pooled funds, NGO-led pooled funds, refugee-led pooled funds, feminist funds and others. The diversity of pooled funds is also reflected in the diversity of funding practices, such as who receives funding, how flexible that funding is, governance arrangements, and the quality of the funding.

This chapter will examine the funding data around OCHA's CBPFs specifically, as well as Regional Humanitarian Pooled Funds (RHPFs), which are hosted at a regional level and disburse funding to countries within that region. It should be noted that OCHA now uses the term 'Country and Regional Funds' instead of CBPFs – however, for ease of reference, these will be referred to collectively as CBPFs.

This chapter will not examine OCHA's CERF, which is designed to only give direct funding to UN agencies, with only 12% of CERF funding sub-granted to LNAs in 2023 (OCHA, 2025c). Chapter 4 will briefly examine non-OCHA managed pooled funds and the growing prominence of other pooled funds as vehicles for meeting humanitarian needs and getting funding to LNAs.

The chapter provides a broad historical overview of the extent to which CBPFs localise funding. However, developments regarding the allocation of funding from the US towards the CBPFs are ongoing. All information and analysis is accurate at the time of writing.

3.1 Do CBPFs work for LNAs?

CBPFs have disbursed over $10 billion in funding over a decade and a half, with 23 countries receiving funds last year. Despite the success of CBPFs in becoming a vehicle for funding, analysis shows that, prior to 2026, this funding was actually in decline in real terms. In 2022, $1.3 billion was disbursed by CBPFs, declining to $910 million (using constant prices to account for inflation), in significant part due to a decrease in contributions from Germany (ALNAP, 2025). In recent years, the top three donors to CBPFs were Germany, the Netherlands and the UK.

The policy context for CBPFs in regard to localising funding started to change in 2025 with the funding cuts. In May 2025, the ERC floated the idea of one third of donor funding going to CBPFs (OCHA, 2025d); and in June 2025, he said that 'my aspiration as ERC is to reach 50% [of funding to be pooled funding], with 70% of that for local actors' (IASC, 2025).

However, in late 2025, the context shifted rapidly. The US government announced the signing of a memorandum of understanding with OCHA and pledged 'an initial $2 billion anchor commitment to fund life-saving assistance activities in dozens of countries' with the expectation that 'over time, the Department of State expects all U.S. funding of UN humanitarian work to be channelled through OCHA pooled fund vehicles' (US Department of State, 2025). At the time of writing, negotiations are still ongoing, and the expansion of US funding is still subject to agreements being signed and the operational readiness of the humanitarian system to utilise such funding. However, the implication of the potential injection of funding is that the decline in CBPFs will be reversed, with a large increase in funding from even the high watermark in 2022, whilst the US will become the primary donor to OCHA-managed pooled funds and supplant the role of the three European donors who made up the majority of CBPF contributions in recent years. This could change the politics around CBPF governance in terms of who has power on CBPF advisory boards and thus the direction and operations of CBPFs.

The US announcement aligns with the direction of the humanitarian reset; the ERC has made OCHA-managed pooled funds central to the reset (OCHA, 2025b), with the State Department stating that the agreement was 'made in connection with OCHA's "Humanitarian Reset"' (US Department of State, 2025).

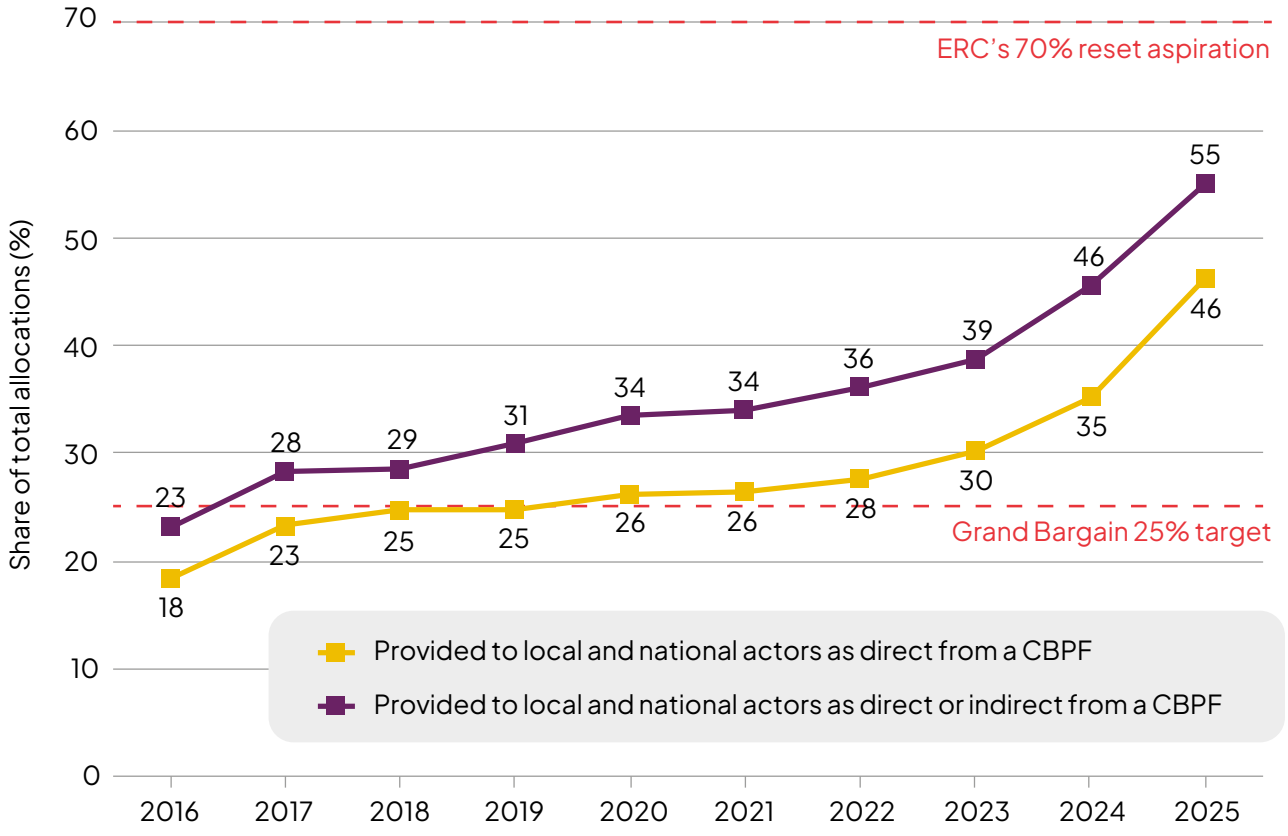
Given the renewed focus on pooled funds, and specifically OCHA-managed pooled funds, it is even more important to understand the opportunities and limitations of CBPFs in channelling quality funding to LNAs.

Pooled funds can enable donors to meet localisation commitments, as they can increase access to funding for LNAs compared to government donors, sidestepping common issues that donors face (capacity to manage small grants where receiving organisations are registered, and high risk tolerances) (NRC, 2022). As contributions to OCHA are only softly earmarked they also allow decisions on funding allocations and priorities to be taken in-country by the relevant CBPF advisory board, allowing disbursements to be made quickly. Beyond the decision on country-level allocations, CBPFs can strip out donor preferences and allow decisions to be taken according to need as outlined in the HRP. Obtaining CBPF funding may also open the door to other funding opportunities, as passing assessments acts as a signal to other international actors regarding capacity.

However, despite the well-noted benefits of CBPFs, there are also well-documented criticisms in relation to the quality of funding and access to funding. ICVA's survey of NGO perspectives on pooled funds found that 'a relatively low number of organisations, especially local and national NGOs, applied to a pooled fund mechanism' (ICVA, 2024), whilst other studies note the lack of flexibility that CBPFs offer, with heavy due diligence, reporting and compliance requirements (NRC, 2022).

Over the last decade, CBPFs have made significant progress in providing funding to LNAs (see Box 4 on whether this means 'direct' or 'indirect'). The percentage of allocations going direct from CBPFs to LNAs increased marginally between 2017 and 2022, increasing from 23% to 28% and thus staying around the Grand Bargain target of 25% going to LNAs (Figure 10). However, in recent years, that percentage has increased to 46% (as of 2025) – a significant increase from 18% a decade ago.

Figure 10 Share of CBPF allocations going to LNAs, 2016–2025



Source: OCHA

Notes: Data on funding direct from CBPFs from the CBPF Data Hub (extracted 22 February 2026), indirect funding data provided by OCHA (January 2026). Figures are in current prices and may change following publication.

CBPFs also allow grantees to sub-grant to other organisations. When including the sub-grant data, the percentage going direct and indirect from CBPFs to LNAs has increased from 23% in 2016 to 55% in 2025. The main beneficiaries of sub-granting are national NGOs who have received 80% of CBPF sub-grants in 2024 and 2025 (the vast majority from INGOs and UN agencies).

The large percentage going to LNAs, directly and indirectly from CBPFs, is a notable success, particularly in the context of the broader humanitarian sector that only managed to channel 9.5% of overall funding to LNAs in 2024. In this sense, CBPFs have proven better at getting funding to LNAs than other UN agencies (though most INGO data remains unclear).

Box 4 Is funding from a CBPF direct or indirect?

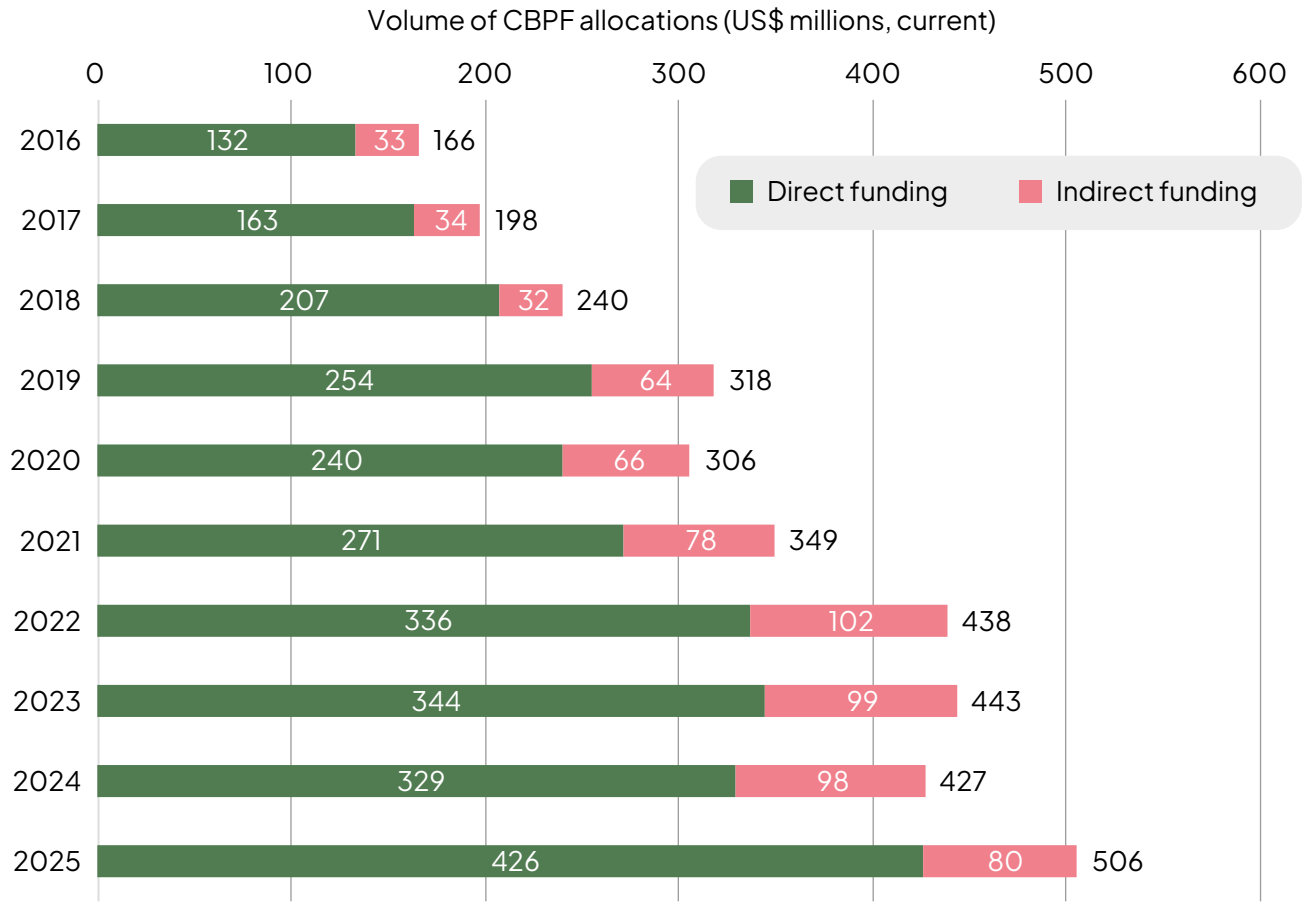
'Direct' funding from a CBPF is actually indirect funding as it first passes through one intermediary (OCHA). We refer to funding going 'direct from a CBPF' to make the distinction that this does not fit within the Grand Bargain remit for 'direct funding'.

What about 'indirect funding'? Grand Bargain definitions state that indirect funding to LNAs only counts as such if it passed through a single intermediary (Grand Bargain and DI, 2023). So seemingly 'indirect' funding from a CBPF cannot be strictly considered as such for Grand Bargain monitoring purposes, as two intermediaries would be involved (OCHA, and the grantee, before eventually reaching the LNA).

However, the headline numbers hide a more complex story underneath the surface. Despite the percentage of CBPF funding going to LNAs increasing in recent years, the volume of funding has shifted marginally. Whilst allocations between 2016 and 2022 increased from $166 million to $438 million, allocations since 2022 have fluctuated around this figure before rising to $506 million in 2025 (a notable increase from 2024, but not huge growth compared to volumes in 2022; see Figure 11). Therefore, the increase in the percentage going to LNAs is partly a consequence of overall funding to CBPFs going down in recent years.

On the one hand, this shows that CBPFs have made a choice to prioritise funding to LNAs despite cuts in funding and allocations. At the same time, this highlights a potential issue for CBPFs moving forward. If total allocations to LNAs have not increased substantially since 2022, this raises questions around the potential absorption capacity of CBPFs moving forward – the US government has pledged an initial $2 billion contribution to CBPFs, and potential future tranches. In other words, if CBPFs are stuck providing just over $400 million to LNAs directly, is it likely they will be able to provide hundreds of millions more in funding to LNAs immediately?

Figure 11 Volume of CBPF allocations to LNAs, 2016–2025



Source: OCHA

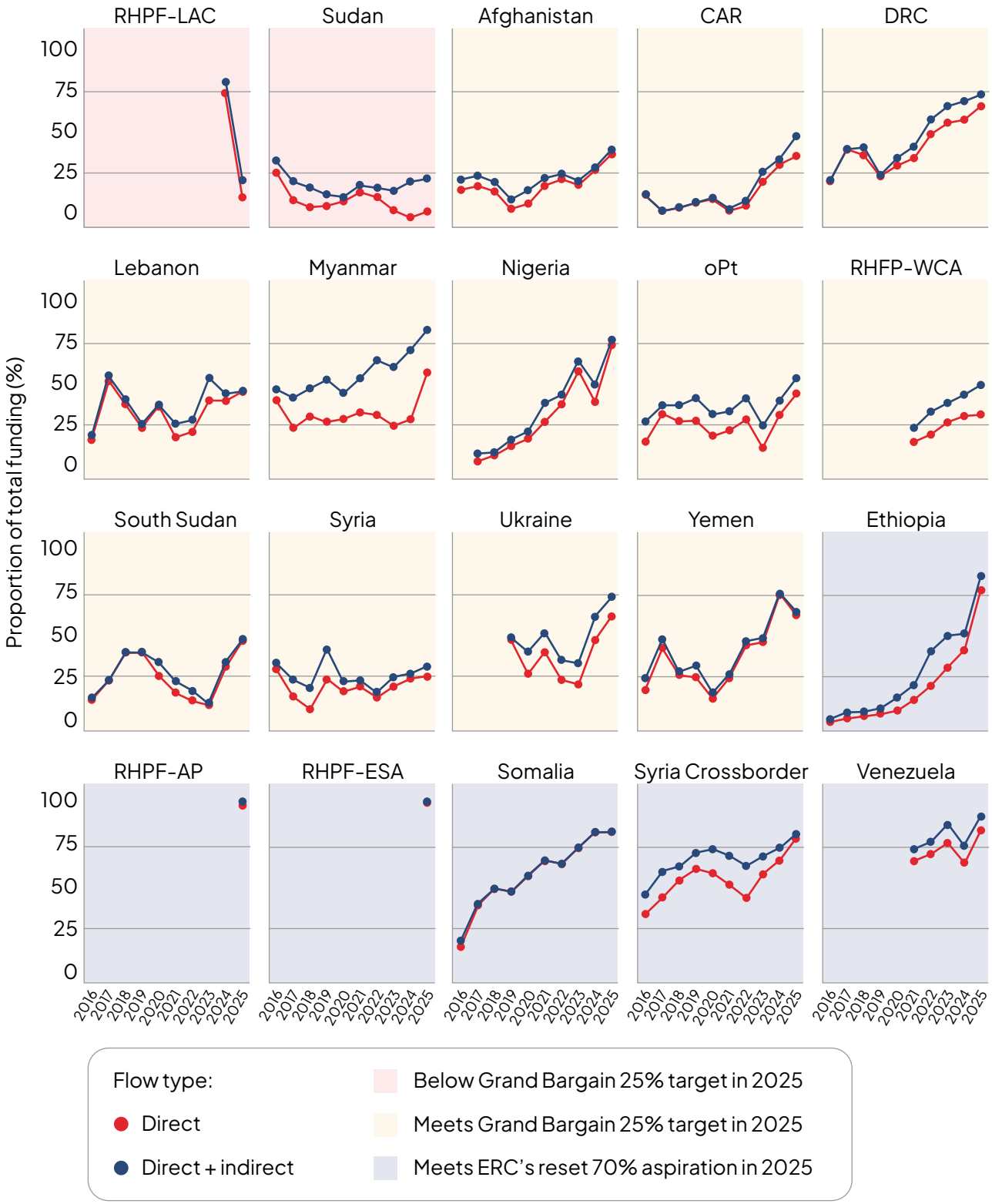
Notes: Data on funding direct from CBPFs from the CBPF Data Hub (extracted 22nd February 2026, indirect funding data provided by OCHA (January 2026). Figures are in current prices and may change following publication.

3.2 Are all CBPFs financially supporting LNAs to the same extent?

Whilst the last section discusses CBPFs at the aggregate level, it is important to note that not all CBPFs localise funding – i.e. provide a large proportion of direct and quality funding to LNAs – to the same extent.

Figure 12 shows the CBPFs that were active in 2025, together with allocations from RHPFs, with a wide range of practices across pooled funds, as well as trends over the last 10 years.

Figure 12 Share of CBPF allocations going to LNAs, 2016–2025



Source: OCHA

Notes: Data on funding direct from each CBPF from the CBPF Data Hub, data on funding indirectly from each CBPF provided by OCHA. Figures are in current prices. RHPF = Regional Humanitarian Pooled Fund; CAR = Central African Republic; DRC = Democratic Republic of Congo; oPt = Occupied Palestinian Territories; LAC = Latin America and the Caribbean; WCA = West and Central Africa; AP = Asia-Pacific; ESA = Eastern and Southern Africa

Of the 20 CBPFs that disbursed funding in 2025, six disbursed over 70% of funding directly to LNAs, thus meeting the 70% aspiration of the humanitarian reset.[10] This includes pooled funds for Ethiopia, Venezuela, Syria and Somalia, which have all given over half of their funding direct to LNAs since 2023.

RHPFs also require a disclaimer so as to avoid over-interpreting these specific figures. Two regional pooled funds, for the Asia Pacific and for East and Southern Africa, disbursed for the first time in 2025 at low volumes ($1.6 million and $2.3 million, respectively), whilst the first year of data for the Latin America and Caribbean Fund was 2024. Therefore, it is perhaps too early to draw robust conclusions from the figures for these RHPFs compared to the CBPFs, which have been in operation over a number of years.

Somalia is a particular success story with a sustained improvement in allocations to LNAs over the last decade. During 2025, the Somalia Humanitarian Fund disbursed $44.9 million to 61 local partners directly – with more LNAs as partners, and more projects with LNAs than any other CBPF. However, as Barter and Sumlut (2023) argue, funding to LNAs in Somalia is typically 'low quality localisation' out of necessity, due to access constraints for international humanitarian actors, rather than a genuine commitment to locally led action. Perversely, LNAs are relegated to work in the most insecure locations across the country.

At the other end of the spectrum, Sudan is the only CBPF that fails to meet the target of 25% going to LNAs, whether direct or indirect from a CBPF. In fact, the trend has gone backwards in recent years: in 2022, 12% of Sudan CBPF funding was localised, dropping to 1% in 2024. Despite this, there has been a gap growing between direct and indirect funding, demonstrating that international actors are continuing to localise funding from the CBPF, even if the CBPF is not doing so directly. There are specific contextual factors in Sudan that have constrained the ability to advance localisation, with Refugees International noting the impact of the civil war, the co-optation of some national NGOs by authorities, 'the long suppression' of civil society that impacted the organisational development of NGOs, as well as the risk of visibility that receiving funding for LNAs generates in the 'politicised and violent environment' (Noe, 2025). It is therefore particularly important that the Sudan Humanitarian Fund places greater focus on localising funding, with a potential $700 million of funding from the US and UAE governments (reported $200 million and $500 million, respectively) (AP, 2026; US Embassy in Egypt, 2026).

Another 12 pooled funds sit in the middle: surpassing the Grand Bargain target of 25% funding going to LNAs, but not reaching the humanitarian reset ambition of 70%. This includes a range of CBPFs, with

10 It is important to note that the language around the 70% figure is that it is an 'aspiration' of the ERC in line with the humanitarian reset. No timeline has been given for the target, and so it is assumed that CBPFs will seek to reach the target progressively over time with different implementation pathways and milestones for each individual pooled fund.

some localising over 50% of their direct funding in 2025 (Nigeria: 69%, the Democratic Republic of Congo: 62%, Yemen: 59%, Ukraine: 58%, and Myanmar: 54%), with others closer to the Grand Bargain target (Afghanistan: 36%, Syria: 25%, and Central African Republic: 35%).

Furthermore, there is a wide variation in trends over time. Some CBPFs have consistently increased their localisation percentage year-on-year for most of the past decade (such as the Democratic Republic of Congo, Ethiopia, Nigeria and Yemen). Other pooled funds have improved in more recent years (such as Afghanistan, the Central Africa Republic, South Sudan and Ukraine). Other CBPFs show no discernible trend and have tended to oscillate over time (such as Lebanon and Syria).

The variation across CBPFs has a number of implications. Firstly, the common assertion that CBPFs are a way to meet localisation commitments for donors and that they enable localisation is not always true. At the aggregate level, CBPFs are shown to localise funding. But this is not true for every individual CBPF – some pooled funds do not meet the target, whilst others go far beyond the Grand Bargain target. If donors want to ensure their contributions do localise funding, they should pay specific attention to the practices of individual CBPFs.

Secondly, not all CBPFs are moving in the right direction, The decline in recent years in Sudan may be a relative outlier, but there are also a number of other CBPFs that show no trend towards increasing funding to LNAs – attention needs to be paid to the trends for individual CBPFs to ensure gains are sustained across the board.

Thirdly, the RHPFs are still in their infancy: three of the four regionally hosted pooled funds have been disbursing funds for less than two years. Only $39 million was disbursed in 2025 through these pooled funds, and whilst three out of four RHPFs meet the 25% target, this is with relatively low volumes. As of March 2026, $841 million has been contributed to RHPFs so far that year – a 21-fold increase on 2025, with the vast majority from the US ($830 million). As a result of the large increase in funding from the US, it is yet to be seen whether RHPFs can successfully manage large volumes of funding and still localise funding over the medium to long term (see Box 5 for more analysis).

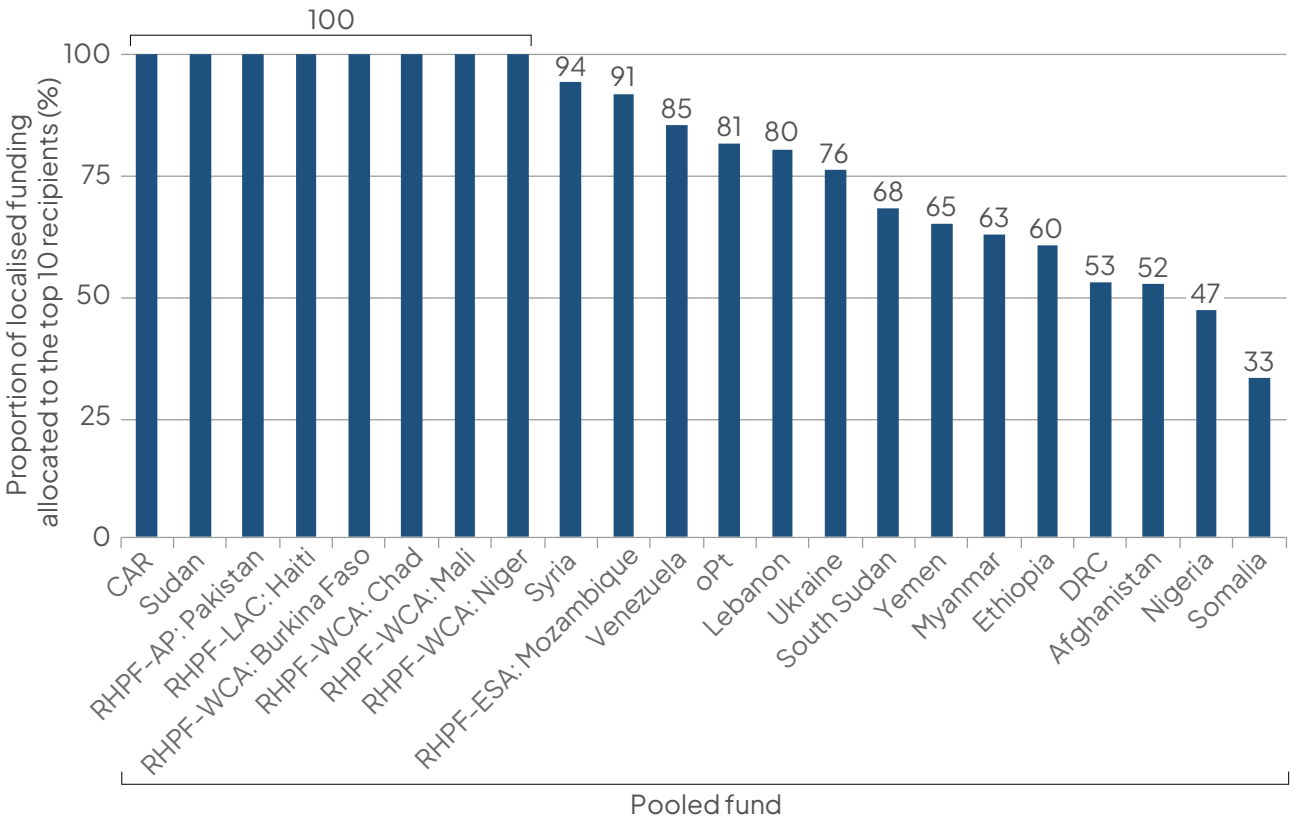
Lastly, and perhaps most importantly, given the wide variation in practice across CBPFs, it is vital that best practice from funds leading the way on localising funding is understood. Research on what enables such ‘leader funds’ to get funding to LNAs should be conducted and disseminated to ensure that best practices can be implemented more widely, as well as to examine whether the quality of funding provided by such ‘leader funds’ empowers local organisations – this is of particular importance given the imminent growth of CBPF funding due to the surge in US input.

3.3 Which LNAs receive CBPF funding?

Going one step beyond the individual CBPF, this section examines the recipient organisations of CBPF funding. Some studies have noted that the registration and application processes are long, onerous and complex, with a low proportion of organisations eligible to receive funding, and RLOs in particular finding it hard to secure funding (Concern Worldwide, 2024; Sturridge et al., 2025).

Given the barriers that LNAs may face in accessing CBPF funding, one question that arises is whether CBPF funding benefits a small number of LNAs (and therefore the benefits of localised funding are concentrated in the hands of a few), or whether CBPF funding is spread across many organisations and thus benefits a wider range of civil society (Figure 13).

Figure 13 Concentration of localised funding among the top 10 recipients by context, 2025



Source: OCHA

Notes: Based on funding direct from CBPFs only. RHPFs disaggregated into specific countries. Fewer than 10 LNA partners receive funding from a CBPF/RHPF in some cases – these are shown as 100% in the chart. The Syria cross-border CBPF is excluded due to anonymised data. Sudan data is also anonymised; however, the CBPF allocations overview notes four partners in 2025. RHPF = Regional Humanitarian Pooled Fund; CAR = Central African Republic; DRC = Democratic Republic of Congo; oPt = Occupied Palestinian Territories; LAC = Latin America and the Caribbean; WCA = West and Central Africa; AP = Asia-Pacific; ESA = Eastern and Southern Africa

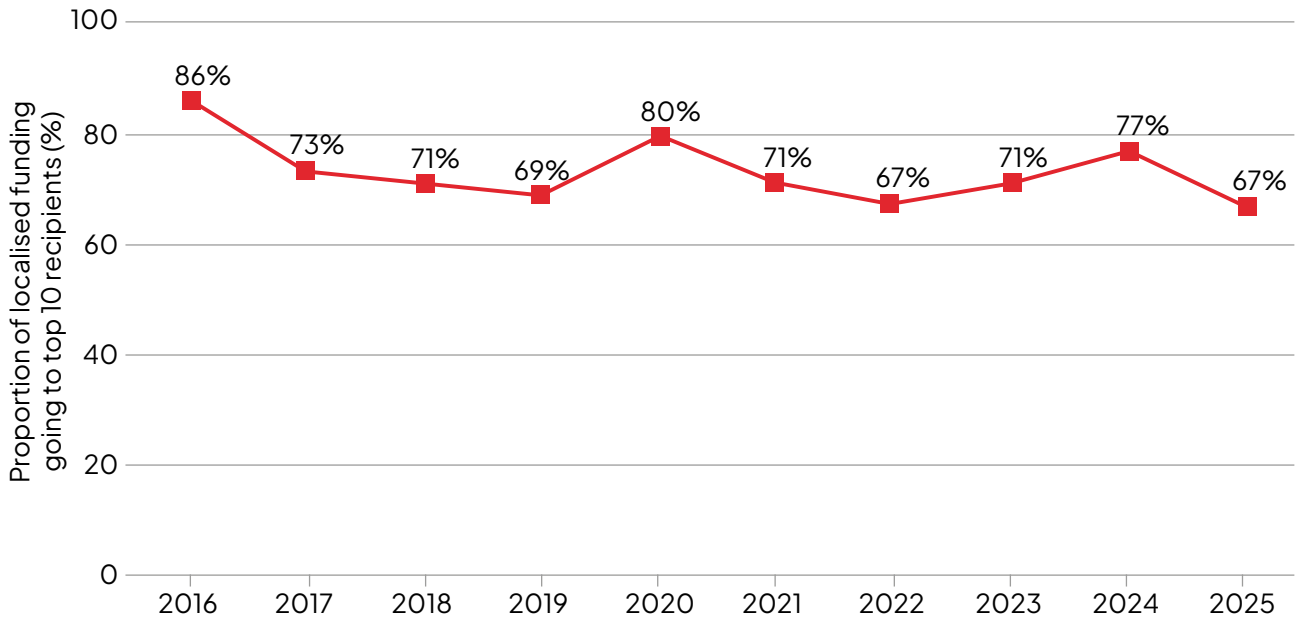
All but two contexts that received CBPF or RHPF funding in 2025 concentrated the majority of their direct localised funding (i.e. funding direct to LNAs) to 10 or fewer LNA recipients.

On the one hand, the picture is slightly skewed at the top end, with contexts where 100% of localised funding going to the top 10 recipients also being those with a small overall volume of funding going to LNAs as a whole (less than $3 million in all eight contexts; the same is the case for Mozambique). This may be expected: where there is a low volume disbursed to LNAs and as a whole in these contexts, then it would make sense that not many organisations receive funding.

However, across the remaining contexts, all but two give the majority of their localised funding to the top 10 recipients; only the Somalia and Ethiopia CBPFs have funding portfolios where the top 10 recipients receive less than half of the localised funding.

At a global level, 67% of direct localised funding across all CBPF/RHPF allocations in 2025 went to the top 10 recipients across contexts (Figure 14). This has not changed across the last decade. Figure 14 shows that there is no significant trend towards diversifying the partner base, with the percentage going to the top 10 recipients in each context fluctuating primarily around 70% and 80%.

Figure 14 Global concentration of localised funding among the top 10 recipients in each context, 2016–2025



Source: OCHA

Notes: Based on funding direct from CBPFs only. Sudan and Syria cross-border CBPFs excluded due to anonymised data.

This does not necessarily indicate a shallow partner base, as those top 10 recipients could change year-on-year. However, further analysis showed the top 10 recipients in each context across the decade (2016 to 2025) received 55% of all direct localised funding (rising to 75% when expanding to the top 20 recipients). In addition, the top 10 recipients in 2025 in each context were analysed to examine if they were also recipients in 2024 – 69% of these organisations received funding in 2024, with 52% also being in the top 10 recipients in 2024.[11] Both of these points suggest that, whilst the partner base isn't necessarily entirely static with some churn of partners between years, there remains a stable and concentrated partner base for CBPFs.

The concentration of local and national funding to a small number of actors in each context has a number of implications. First, it validates other literature that notes that LNAs have difficulty accessing funding, with a high concentration over time signalling a lack of improvements in diversifying the organisations receiving funding. However, one key gap is understanding who these organisations are and what type of organisations receive this funding – this is an area for potential further study.

Second, it suggests that whilst CBPFs are good at getting funding to LNAs, they may privilege a small number of organisations in each context. These may be organisations that are better able to meet monitoring, reporting and compliance requirements. Thus CBPFs may reinforce existing civil society leaders (potentially larger NGOs based in capital cities), disadvantage smaller and less 'NGO-ised' organisations (i.e. more local organisations embedded within communities), and thus reinforce existing barriers to funding and inequalities within civil society. This is not a criticism of the LNAs themselves, but rather a concentration of disbursements to a limited set of actors. This may also be a case of CBPFs not having their own capacity to manage a large number of contracts, and thus facing similar grant management constraints to government donors (albeit at the country level).

Third, whilst the concentration of CBPF funding can be seen as disadvantaging some LNAs, there is a potential trade-off with quality funding. Larger and longer-term grants implies funding going to a more narrow set of actors – whilst smaller grants with shorter duration implies funding going to a broader range of actors. This is a trade-off that doesn't necessarily have a clear answer, but one worth acknowledging when considering the data above.

Lastly, this raises a question of absorption capacity. If CBPFs are to absorb a large amount of funding in the future due to an increase in US funding, then there is a potential risk that this benefits a small number of organisations to the exclusion of others. As noted in Box 5, it is anticipated that the US funding will go to UN agencies and large INGOs.

11 This figure excludes CBPFs and RHPFs where no allocations were made in 2024, such as the RHPF allocations for Chad, Mozambique and Pakistan where allocations were only made in 2025 to local and national actors.

Box 5 Do the CBPFs that the US selected for funding advance localisation?

In addition to the CERF, 18 countries have received US funding through CBPFs in 2026. As of mid-April 2026, the percentage of all allocated CBPF funding going to LNAs has dropped to 19% (from 55% in 2025), with the percentage going to UN agencies increasing substantially (from 5% in 2025 to 52% in 2026).

These percentages will change through the year and should not be considered final. However, it is indicative of the change that CBPFs are undergoing in 2026. Analysis by The New Humanitarian shows that WFP, UNICEF, UNHCR and IOM are the primary beneficiaries of US funding through CBPFs and only 2% of US-specific funding goes to LNAs, whilst Devex has reported local organisations will end up receiving 13% of US funding (Loy, 2026a; Gawel, 2026). The New Humanitarian has also reported that allocations have been predetermined with LNAs being excluded from discussions around pooled fund allocations (Loy, 2026a). Reporting suggests that the implied reason behind the allocations to international actors is that 'US cash is time-limited and must be spent within six months from a mid-March start date' with few local organisations vetted to receive funds (Loy, 2026b).

In the short term, it is clear that CBPFs will go backwards on localisation, with LNAs paying the price of greater US funding to OCHA. This is despite the fact that the majority of CBPFs within the US deal that disbursed funding last year gave at least 25% of funding to LNAs directly (see Table 1).

However, the 12 CBPFs that did disburse funding to LNAs in 2025 only disbursed $245 million in total – excluding Ukraine, this drops to only $127 million. With the aspiration of 70% of CBPF funding going to LNAs, and the small volumes going to LNAs across these pooled funds with relatively small partner bases, CBPFs need to consider building in greater absorption capacity in terms of funding LNAs.

If CBPFs are to meet both objectives of localising and absorbing more funding in the medium to long term, it will require significant planning and capacity (such as pre-qualifying more LNAs and more due diligence capacity), as well as the political will to ensure that localisation remains a priority in conversations with donors, primarily the US.

Countries that did not receive funding from a CBPF or RHPF in 2025, but which have been allocated funding, are: Bangladesh ($150 million), El Salvador ($25 million), Guatemala ($60 million), Honduras ($65 million), Kenya ($50 million) and Uganda ($75 million).

Table 1 Contexts selected for the US' $2 billion contribution to OCHA pooled funds

CBPF/RHPF	US contribution	Amount disbursed to LNAs (2025)	Percentage direct to LNAs (2025)	Percentage of LNA funding going to top 10 LNAs (2025)
Ukraine	$155 million	$117.5 million	58%	76%
Ethiopia	$100 million	$32.3 million	73%	60%
South Sudan	$100 million	$19.8 million	45%	68%
Myanmar	$140 million	$19.4 million	54%	63%
Democratic Republic of Congo	$150 million	$18.5 million	62%	53%
Nigeria	$125 million	$13.5 million	69%	47%
Syria	$150 million	$12.4 million	25%	91%
Sudan	$200 million	$5.1 million	4%	100%
RHPF-WCA – Chad	$100 million	$2.6 million	24%	100%
RHPF-ESA – Mozambique	$80 million	$2.2 million	95%	94%
RHPF-LAC – Colombia	$100 million	$1.2 million	100%	100%
RHPF-LAC – Haiti	$125 million	$0.3 million	12%	100%

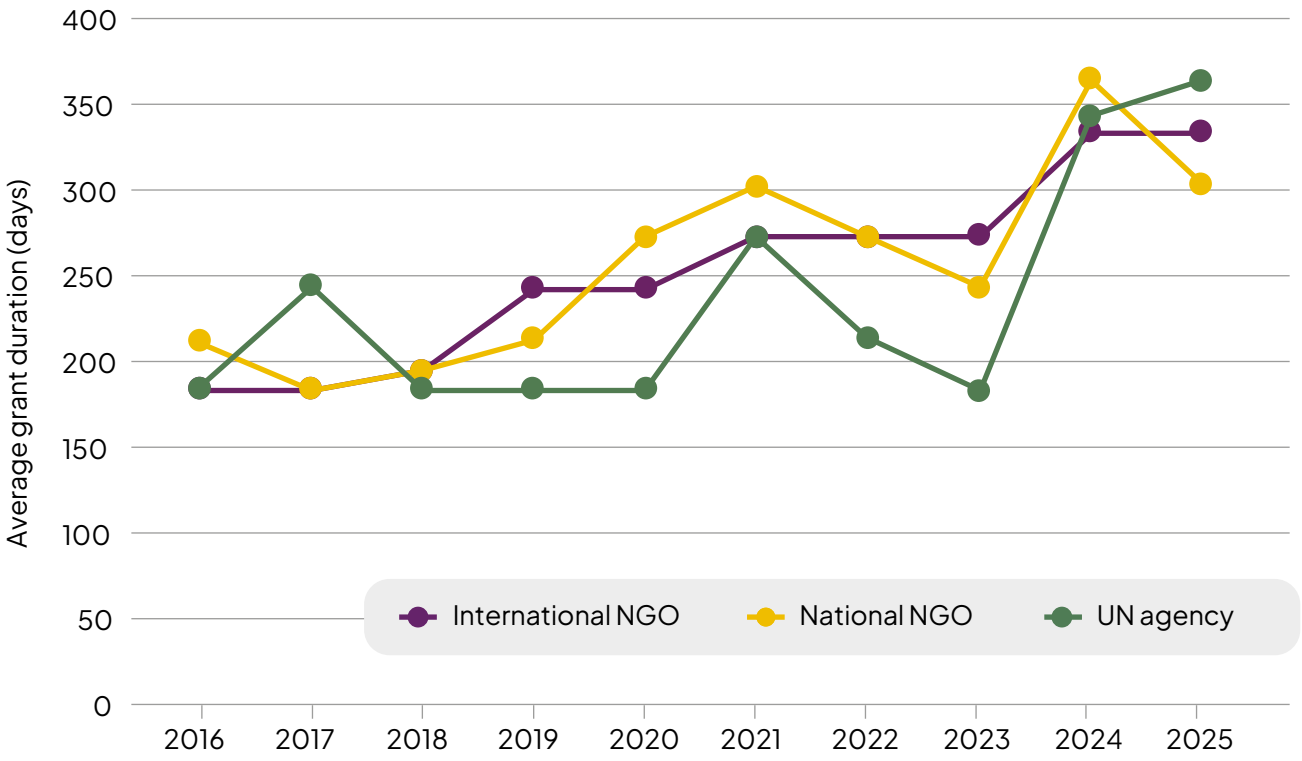
Source: OCHA
Notes: Based on direct funding only – the total amount disbursed to LNAs as first-level recipients is included in the column on disbursements, including funding where the LNA disburses to a second-level recipient. The RHPFs have been disaggregated into specific countries. Sudan recipients anonymised in the source data. Data extracted across February, March and April 2026; 2025 figures are subject to change. RHPF = Regional Humanitarian Pooled Fund; LAC = Latin America and the Caribbean; WCA = West and Central Africa; ESA = Eastern and Southern Africa

3.4 Do CBPFs provide quality funding?

Whilst CBPFs are able to channel funding to LNAs, the quality of funding also matters to LNAs. This section examines three elements of quality funding that can be considered quantitatively – the duration of a CBPF grant, the size of a CBPF grant, and the provision of overheads.

Data suggests that CBPFs are not at a disadvantage in terms of grant duration and don't have shorter grants than international actors. Figure 15 shows that the average grant duration for national NGOs does not differ significantly from that of international actors, and in some years is actually higher. As the data also shows, average duration across all actors has increased across the past decade, rising from 211 days for national NGOs in 2016, to 303 days in 2025. However, according to guidance, any US contributions must be spent within six months, and thus it is almost certain that the grant durations will drop in the near future (Kiros, 2026).

Figure 15 Average grant duration of CBPF allocations by organisation type, 2016–2025



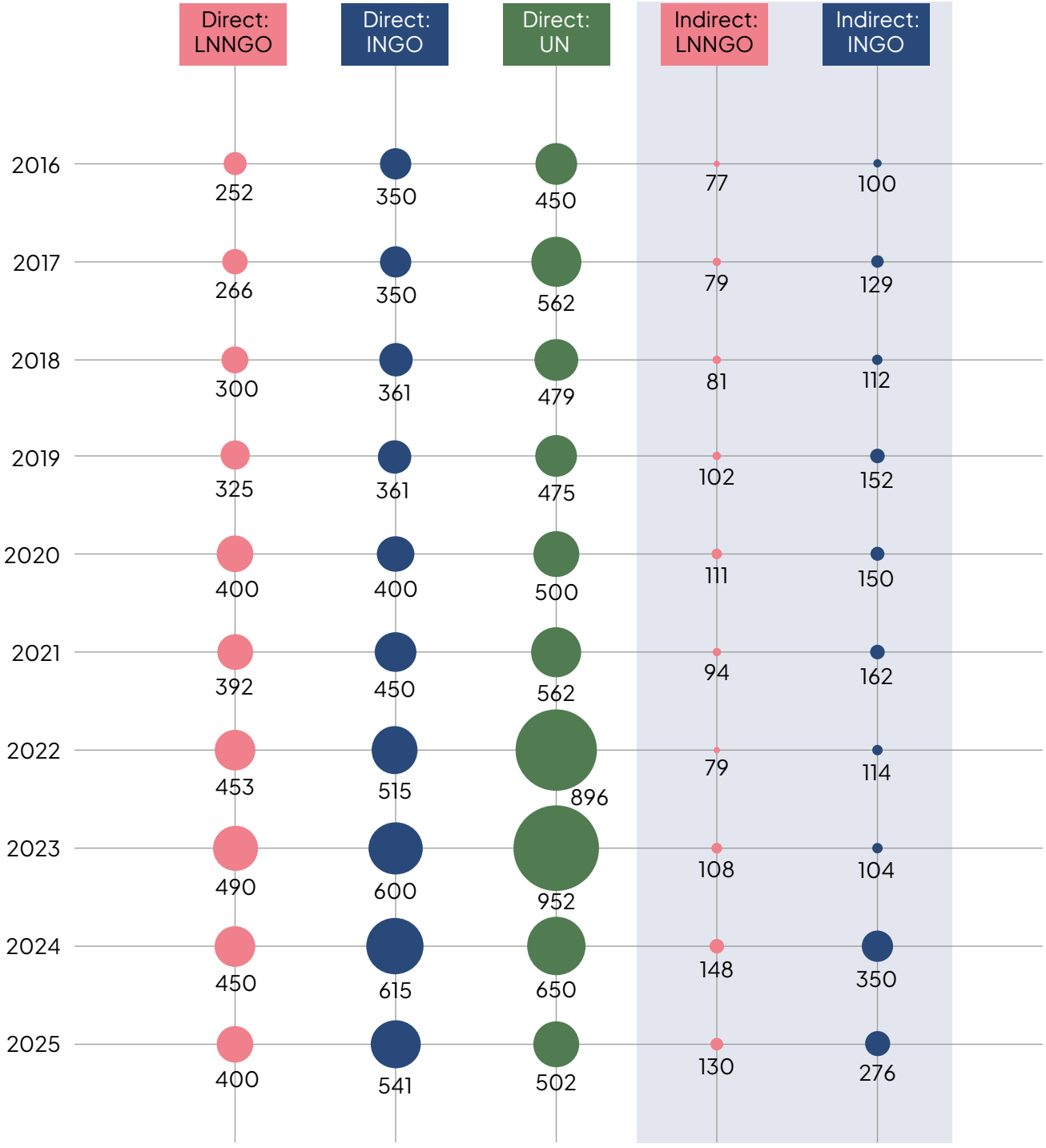
Source: OCHA. Data extracted 22 February 2026.

Notes: Organisation type determined by the organisation receiving funding direct from a CBPF (i.e. this does not include sub-grants and indirect funding).

Thus, national NGOs are not disadvantaged in this respect, which also aligns with the findings in ICVA's *NGO perspectives on pooled funds* report which found that, whilst 'respondents find [...] their experience with the fund to be average [in respect to the length of implementation periods] [...] national NGOs reported a more positive experience than INGOs' (ICVA, 2024). Having said this, the same report also notes the importance of advocating for multi-year funding which, as Figure 15 shows, is currently not the norm for CBPFs.

Another dimension to examine is the average grant size of allocations to local and national NGOs. As Figure 16 shows, the average grant size for a local/national NGO has been consistently below that of both INGOs and UN agencies across the last decade. In the most recent year of data, a local/national NGO receives an average grant of $400,000, compared to $502,000 for a UN agency, and $541,000 for an INGO.

Figure 16 Average grant size of CBPF allocations by organisation type, 2016–2025



Source: OCHA

Notes: Average grant size determined by the median of the subset. LNNGO = local and national non-governmental organisation; INGO = international non-governmental organisation; = UN = United Nations

This gap in grant size is also replicated when CBPF funding is sub-granted. For all but one year in the last decade, a local/national NGO sub-grant is on average smaller than that for an INGO. In the most recent years, this gap has increased for indirect funding, with an average sub-grant of $130,000 to a local/national NGO in 2025, compared to $276,000 for an INGO.

As the CBPF Global Guidelines note, 'maximum grant ceilings are set out in the Operational Modalities for each Fund, regulated by the risk level assigned to any given partner and the project duration' (OCHA, 2023). The risk level assigned to a given partner is determined by capacity assessment and project implementation performance. Thus, the difference in grant sizes likely reflects perceptions of risk regarding different organisations. The difference in grant sizes reflects the practice of other UN agencies as analysed in Chapter 1.

Lastly, CBPFs have a policy on the provision of overheads to grantees – whether those grantees are international or LNAs. Overheads to LNAs, termed 'Programme Support Costs' by OCHA, are provided up to 7%. Overhead costs are also provided to sub-grantees, with overhead costs shared in 87.2% of sub-granting cases in 2024, with 73.5% of sub-grantees receiving the full 7%, according to OCHA's self-reporting to the Grand Bargain (Grand Bargain Secretariat, 2025). Overhead costs are also provided as unrestricted contributions to partners' overhead costs and do not need to be reported against.

Despite the presence of a policy on overheads (which is sometimes not the case for international actors), the application of the policy is not consistent. For example, on average, sub-grantees received 5.2% of their allocated budget (ibid). Furthermore, as a synthesis paper by ICVA notes, overheads 'rarely cover the full costs and remain inconsistent' whilst there is 'no evidence of CBPFs consistently advising organizations on how best to cover core costs' (ICVA, 2023).

Recommendation: CBPFs should publish roadmaps on achieving OCHA's localisation goals

The renewed emphasis on OCHA's CBPFs as key funding mechanisms for government donors to achieve their localisation commitments, coupled with the ERC aspiration of 70% of CBPFs' funding reaching LNAs, warrants clear and pragmatic plans on how to reach those ambitious targets. The analysis in this chapter shows the range of starting points for CBPFs owing to context-specific differences in terms of funding landscape and stakeholders. CBPFs with a high concentration of their funding with a small number of LNAs may struggle to scale up rapidly. Our recommendation therefore is:

Each CBPF should publish time-bound roadmaps on how to achieve the ambitious localisation aspiration (of 70% of funding going to LNAs), including what is required from other humanitarian actors in each context.

The ambitious 70% aspiration for the funding share to LNAs might require CBPFs to add new forms of support to its global operational handbook that promote LNAs' access to CBPF funding, for example in the form of microgrants for smaller actors or through offering targeted support on developing necessary systems to meet due diligence criteria. The roadmaps should also reconsider the CBPFs' tightly earmarked default funding approach and whether additional, more flexible funding modalities might be more effective in enabling more locally led responses.

4 Who funds LNAs beyond the UN?

4.1 What does the limited data on NGO-led funds show on their role in advancing localisation?

There has been a proliferation in NGO-led funds and financing mechanisms in recent years as alternative or complementary funding channels for government donors that largely rely on intermediaries to progress on their localisation commitments. Even though various mappings of these initiatives exist, there is scarce disaggregated and publicly accessible data on the funding they receive or pass on to LNAs.

The most recent and comprehensive mapping carried out by ICVA in June 2025 lists 69 different NGO-led mechanisms, mostly comprising different types of pooled funds though also including nine consortia (ICVA, 2025a). They are mostly led or hosted by INGOs, while 19 of the included mechanisms identified as locally led. The mapping includes key characteristics on each mechanism including type, host organisation, contact details, descriptions, whether they are locally led or feminist in their institutional set-up, and more. However, there are notable gaps in the dataset, for instance on the estimated share of funding they provide to local or national NGOs. It is also difficult to track the fluctuating amounts of funding received or provided by each mechanism per year or over time with static datasets such as this mapping, which relied on ad hoc data collection. Still, it is a useful reference tool, a starting point for donors that might be interested in channelling their funding to LNAs through NGO-led or even locally led funds.

We were able to identify only seven of the 69 mechanisms from the ICVA mapping in our disaggregated dataset as providers of funding to other humanitarian organisations due to a lack of reporting.[12] For some of those seven, e.g. Save the Children's Humanitarian Fund (also known as the Emergency Fund), this data was only partial. Many of the mechanisms identified by ICVA are hosted by various INGOs, meaning that those hosted funds may not be identifiable on FTS as separate recipient or donor organisations of funding. This makes it very difficult to quantify or identify by country the degree to which NGO-led funds manage to localise the international humanitarian funding landscape. However, we are aware of ongoing efforts by NGOs and NGO networks to improve the transparency of the funding they provide to or receive from partners. Recent work proposes better integration of FTS with IATI data so that NGOs sharing data to the latter can more easily report it to the former (ICVA, 2025b), improving the visibility on the important contributions that NGOs make to localising humanitarian responses.

12 The seven are: Aid Fund for Syria, Disasters Emergency Committee, Dutch Relief Alliance, Humanitarian Aid International, Save the Children's Humanitarian Fund, Start Network and the Border Consortium.

4.2 MDBs and localisation

The large volumes of funding disbursed by multilateral development banks (MDBs) have become increasingly alluring to humanitarian actors as the humanitarian funding gap has widened in recent years. Still, there remains confusion within the humanitarian sector on whether or how MDB financing is accessible to humanitarian agencies, and if so, the role of MDBs within crisis responses and the localisation of broader crisis finance. The $16.6 billion in disbursements between 2020 and 2024 (Figure 17) reported by MDBs under humanitarian sector codes to the OECD DAC is almost entirely from the World Bank Group (97%), channelled through national governments (98%) and largely for disaster prevention and preparedness (87%). Looking beyond humanitarian financing from MDBs, World Bank's International Development Association was also the largest provider of ODA for all development and humanitarian sectors (81% of total disbursements) to the 20 largest humanitarian recipient countries between 2014 and 2023 (ALNAP, 2025).

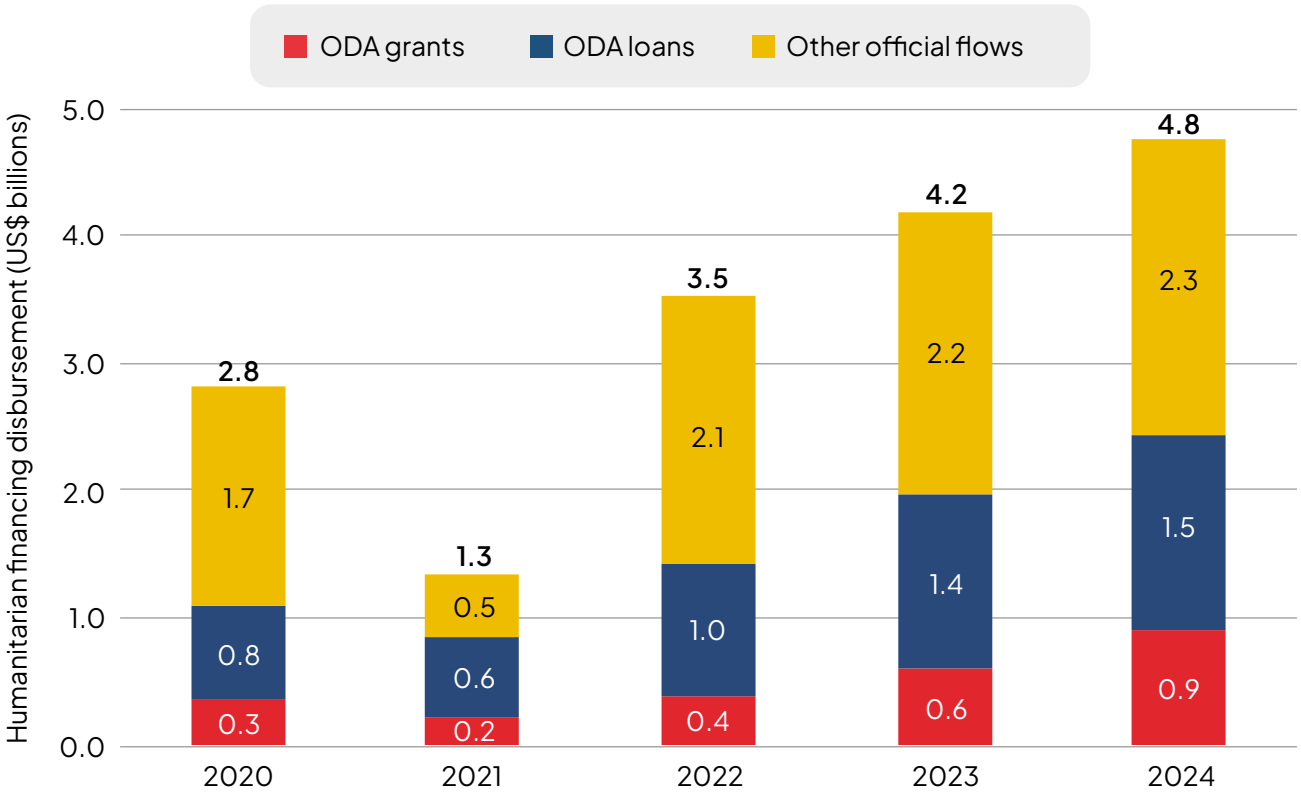
The significant role of the World Bank Group as the largest MDB provider of humanitarian financing and total ODA to humanitarian crisis countries places an even greater weight on the focus of the World Bank's highly anticipated update to its Strategy for Fragility, Conflict and Violence. The evaluation of the last edition of this strategy covering 2020–2025 found that while it enabled the World Bank to maintain its presence in countries experiencing ongoing conflict or crisis, and strengthened its partnerships with UN agencies, it lacked a theory of change and clear implementation plan and did not elaborate on engagement objectives relating to subnational conflict or forced displacement (World Bank, 2025).

One potentially limiting factor for the World Bank's role in advancing the localisation of crisis finance is its reliance on UN agencies as third-party implementers (TPIs), if engaging with or through the government is not possible in conflict- or crisis-affected countries. The World Bank's Operational Policy 7.30 allows it to pause its direct engagement with governments after an irregular transfer of power in a borrower country and enables it to adapt by instead channelling funds through TPIs to countries affected by conflict. Between the fiscal years 2015 and 2024, TPIs were used for a fifth of World Bank projects in fragile and conflict-affected situations, representing around a tenth of total commitments ($10.3 billion) in those contexts (World Bank, 2025). TPI activity was particularly concentrated in Somalia, South Sudan and Yemen. Funding contracts with UN agencies accounted for more than 95% of TPI funding (ibid.). Problematically, there is currently no established practice for TPI selection and contracting arrangements at the World Bank, meaning country teams often select partners and negotiate costs on an ad hoc basis. The costs in those TPI contracts are not transparent and were not even shared with the independent evaluation team investigating the World Bank's Strategy for Fragility, Conflict and Violence, though the evaluation points to anecdotal evidence that UN overhead costs vary widely and can be as high as 40% (ibid.).

Governments facing humanitarian crises at home might also struggle to take on the fiscal debt required to access most financing from MDBs. The majority of crisis financing by MDBs is in the form of loans that are often not concessional enough to count as ODA (Figure 17). The small share of grant funding of around 15% of MDBs' humanitarian financing between 2020 and 2024 prevents governments with high

levels of sovereign debt from accessing these funds. This is problematic for governments in countries affected by protracted humanitarian crises, which between 2015 and 2024 saw their average debt repayments as a share of government revenue double to 11.5% (ALNAP, 2025). This matches similar findings with regards to the limited accessibility of pre-arranged crisis financing to governments in so-called low-income countries or fragile and conflict-affected situations (Plichta et al., 2025).[13]

Figure 17 Humanitarian financing disbursements from multilateral development banks by degree of concessionality, 2020–2024



Source: OECD DAC Creditor Reporting System.

Notes: The analysis covered 12 MDBs, of which six (African Development Fund, Council of Europe Development Bank, Inter-American Development Bank, International Bank for Reconstruction and Development, International Development Association and the Islamic Development Bank) reported financing under humanitarian sector codes to the OECD DAC and are included in this graph. Funding data is in constant 2023 prices.

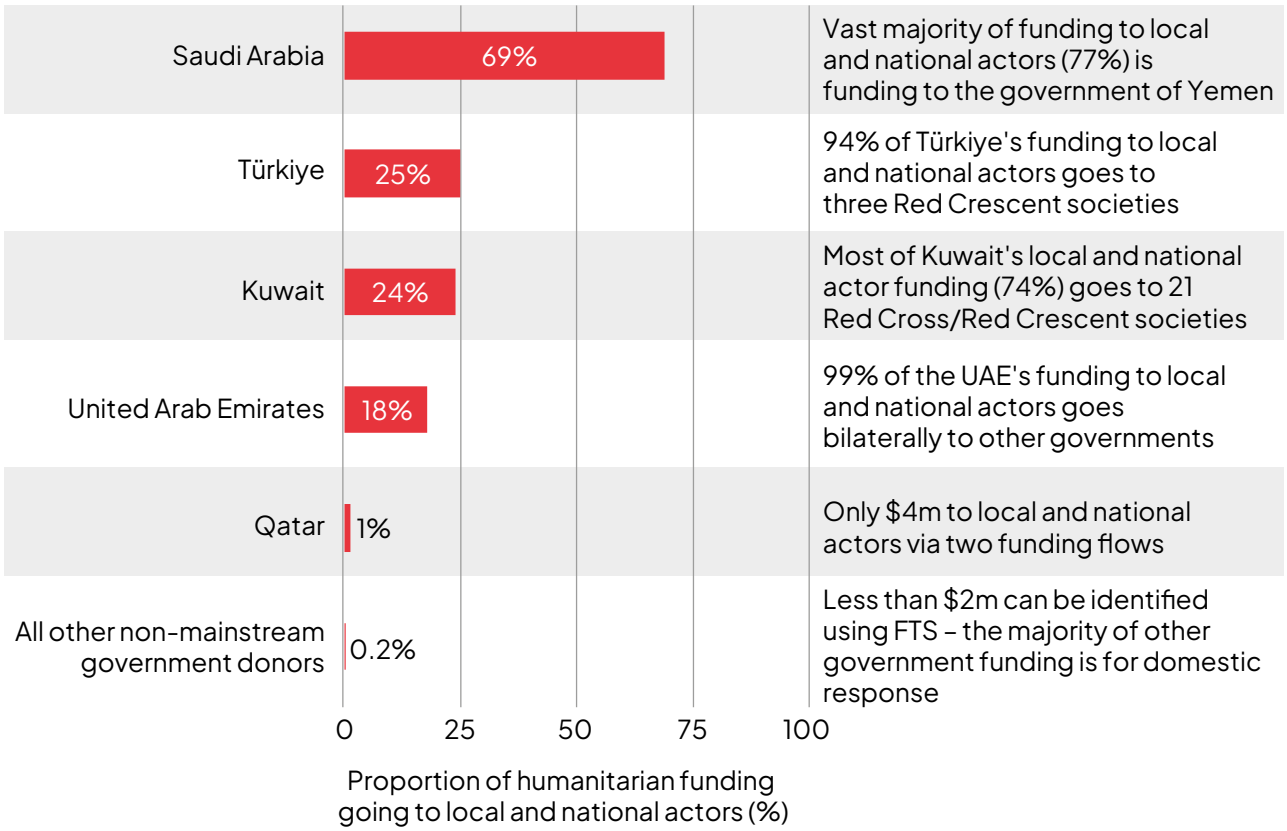
13 Pre-arranged financing is defined by the Centre for Disaster Protection as financing that is approved in advance of a crisis and guaranteed to be released to a specific implementer when a pre-identified trigger condition is met (Plichta et al., 2025).

4.3 Non-mainstream donors and local and national actor funding

Non-mainstream donors – defined here as governments that are not members of the OECD DAC – also fund LNAs. However, the extent to which these donors 'localise' funding varies greatly, as does the channel of delivery of funding.

Of the five non-mainstream donors analysed, Saudi Arabia provides the most funding to LNAs as a percentage of its total (69%), followed by Türkiye (25%), Kuwait (24%), the UAE (18%), and Qatar (1%) – see Figure 18. The wide variety of localisation practices across non-mainstream donors reflects a range of practices in who they fund, and where they fund. Both Saudi Arabia and the UAE follow a similar practice of giving large amounts of their LNA funding bilaterally to a small number of other governments. This practice contrasts with those of Türkiye and Kuwait.

Figure 18 Percentage of humanitarian funding in 2024 to LNAs from non-mainstream donors



Source: HPG based on OCHA's Financial Tracking Service (FTS)

Notes: The dataset used for this analysis is based on FTS only, as opposed to the dataset used in Chapter 1 that includes other sources, such as data on RCRC National Societies. Using an FTS-only dataset for this analysis allows a more comprehensive view of disaggregated data as FTS details individual funding flows, whilst incorporating the dataset on RCRC National Societies from the IFRC Network Databank would allow only aggregate views and thus not allow the source of funding to be visible, which in this analysis is particularly important.

On the surface, the case of Saudi Arabia appears to be a positive one and presents a potential opportunity for LNAs. However, 77% of its funding to LNAs is made up of bilateral flows to the government of Yemen, with a further 6% consisting of other bilateral funding. These bilateral flows totalled $705 million in 2024 (or 83% of Saudi Arabia's LNA funding). National NGOs in at least 20 countries received $118 million from the government of Saudi Arabia in 2024, equivalent to 14% of its LNA total.

The UAE also gives bilaterally to other governments. Around 99% of the UAE's funding to LNAs in 2024 ($219 million of $220 million) went bilaterally to other governments. The government of Lebanon received 58% of the UAE's LNA total, followed by the governments of Chad (18%) and Ukraine (9%). However, in total, the majority of the UAE's funding flows were allocated internally (for example to the Mohammed bin Rashid Al Maktoum Humanitarian and Charity Establishment, or UAE Aid), which consisted of 50% of identified flows in FTS, followed by the UN which received 26% of identified funding.

Both Türkiye and Kuwait give a similar amount of their identified funding to LNAs, with the vast majority going to RCRC National Societies. For Türkiye, $93 million of the $107 million (86%) going to LNAs went to the Egyptian Red Crescent Society for its Palestine response, with another $8 million going to the Sudanese Red Crescent Society and Afghan Red Crescent Society.[14] For Kuwait, 74% of its funding to LNAs went to 21 RCRC National Societies, totalling $10 million, with another 25% going to NGOs ($3 million).

Funding from the government of Qatar is largely not localised, with only two funding flows identified in FTS going to LNAs. The majority of Qatar's funding goes to multilaterals and UN agencies (such as the Global Fund, the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) or the UN Development Programme).

These two main delivery channels of LNA funding from non-mainstream donors (bilaterally to governments and via the RCRC National Societies) present a challenge for local and national NGOs. Whilst the vast majority of funding to NGOs from non-mainstream donors comes from Saudi Arabia, the total across these five countries to local and national NGOs is only $122 million in 2024 (which compares to $3.3 billion in total funding from these donors in 2024).

Poor data availability presents a particular challenge when examining data from other government donors. Across the other 69 government donors found in FTS, the overwhelming majority of funding goes directly to UN agencies ($670 million), followed by other international actors ($18 million), and then LNAs ($1.6 million). This funding largely reflects government allocations to domestic response in their own countries.

14 Using strict definitions, the Egyptian Red Crescent Society is an LNA in Egypt; operating in other countries would exclude it from being defined as an LNA for those funding flows. However, given the complexities around cross-border operations into Gaza in 2024 and the aid going through Egypt into Gaza, the benefit of the doubt was given to include the Egyptian Red Crescent Society as an LNA when working on the Palestine response in 2024.

4.4 Red Cross and Red Crescent National Societies and localisation

RCRC National Societies are key LNAs in the contexts in which they operate. This analysis aims to illuminate how RCRC National Societies receive external funding (i.e. funding from abroad).[15] For ease of reference and comparability with the rest of the report, the following analysis focuses only on contexts with international humanitarian responses.[16]

National Societies in emergency contexts have received an average of 48% of funding from external sources over the last five years.[17] This ranges from 28% sourced externally in 2023, to 60% sourced externally in 2024. In absolute terms, this has ranged between $139 million in 2020 to $476 million in 2023. Whilst the percentage of funding from external sources fluctuates, funding from abroad forms a large portion of National Societies' overall income in emergency contexts.

Figure 19 shows, for the most recent year of available data, how much income RCRC National Societies in emergency contexts receive from abroad. The majority of National Societies in emergency contexts (23 out of 32) receive at least 50% of their income from external sources, whilst the average National Society in this group receives 70% of its income from external sources. This ranges from protracted crisis contexts such as Yemen, Chad, Mali, Syria and Somalia – which all receive at least 90% of their funding from external sources – to 'middle-income' countries, which tend to have a lower percentage of their income from abroad (such as Ukraine (43%), Guatemala (38%), and Colombia (24%)).

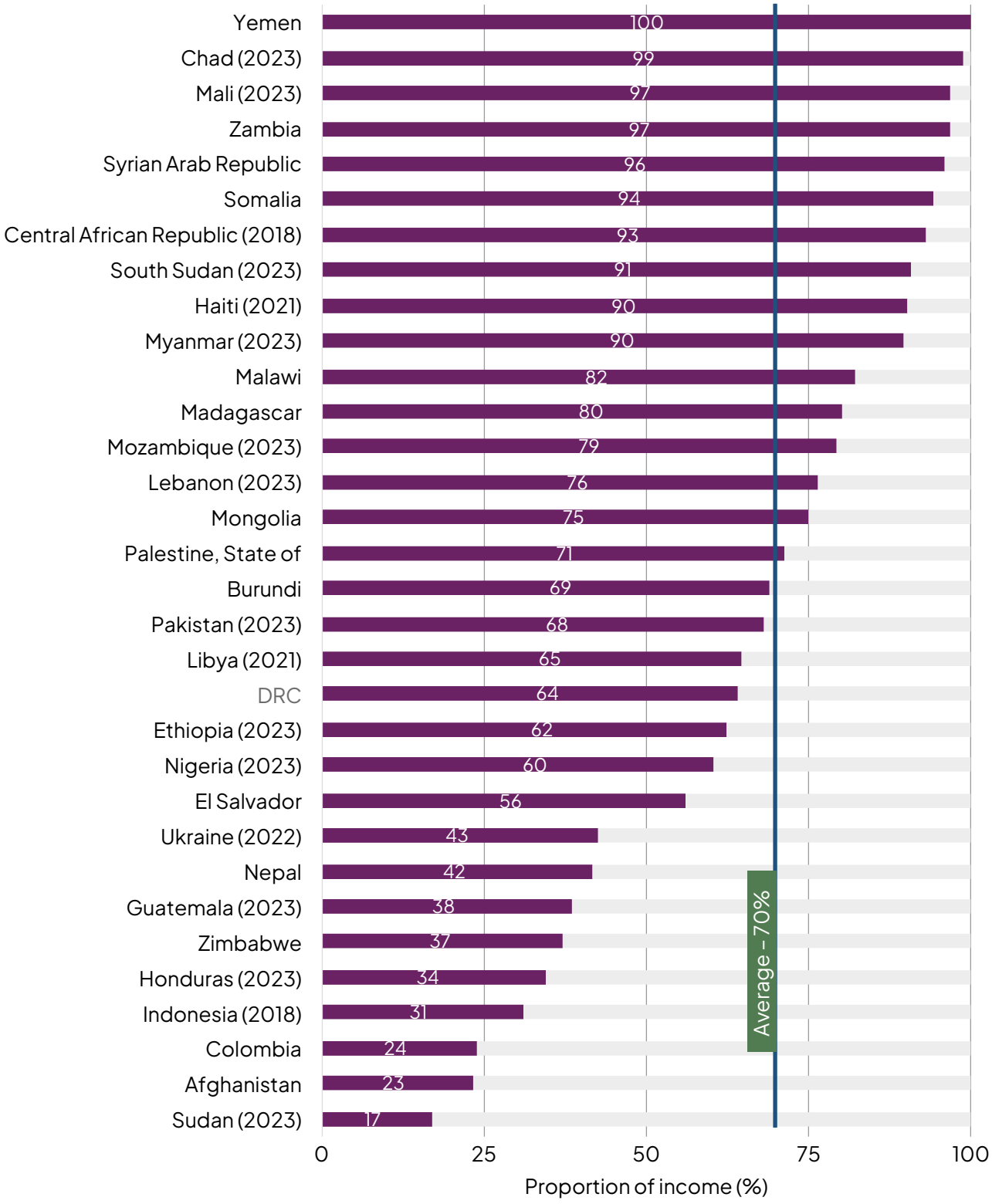
This raises two competing points. On the one hand, it illustrates that National Societies in emergency contexts have the experience and capacity to 'localise' large amounts of external funding in comparison to their overall income. On the other hand, many National Societies are dependent on external funding for the vast majority of their income. This reflects a wider tension, between the desire to 'localise' international funding on the one hand, and the risks of overdependency on external sources on the other, which may make them vulnerable to external shocks.

15 Funding from abroad is defined as funding from: foreign governments, UN agencies, pooled funds, other National Societies, the IFRC and the ICRC. Funding solely from domestic sources is more difficult to draw a clear boundary around, as other categories, such as individuals, corporations, foundations and NGOs, are not necessarily wholly domestic or international. Regarding funding from abroad, it is therefore assumed that the categories outlined are wholly international.

16 Emergency contexts are defined as countries with an interagency appeal (e.g. HRP, Flash Appeals, but not Refugee Response Plans). Whilst it is recognised that the UN-led system is separate, this allows a common frame of reference across analyses.

17 External sources are defined as funding from other RCRC sources (other National Societies, ICRC, IFRC), as well as the UN, pooled funds, and foreign governments. Whilst other sources of funding (such as individuals, corporations, foundations) may well be external, this is not disaggregated in the data. Therefore, the percentages shown here should be considered lower-bound estimates of external resourcing for National Societies.

Figure 19 Percentage of income to RCRC National Societies coming from abroad



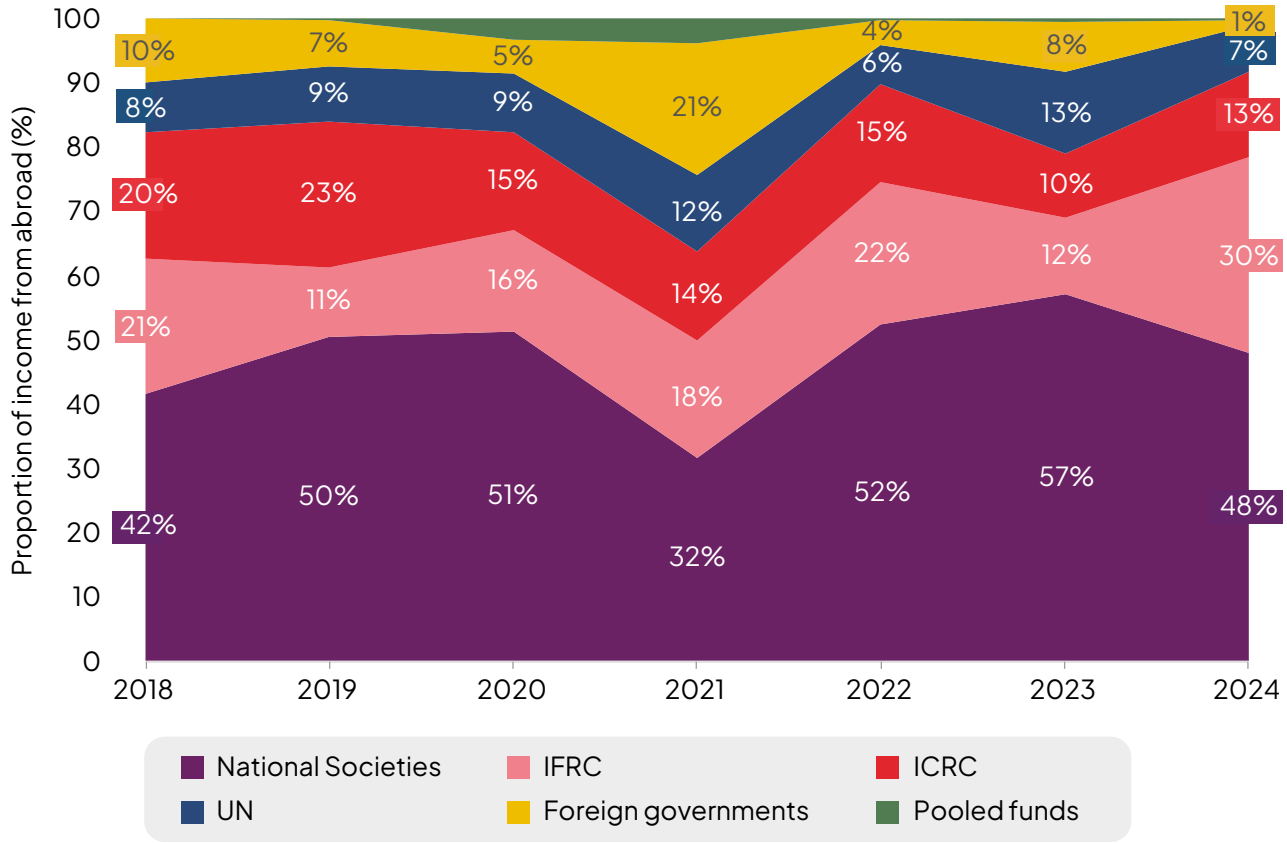
Source: HPG based on the IFRC Societies Network Databank.

Notes: External sources include income from foreign governments, the UN, pooled funds, other RCRC National Societies, the IFRC, and the ICRC. National Societies shown include those from countries where there are interagency appeals. Whilst it is recognised that the UN-led system is separate, this allows a common frame of reference across analyses. Where data was not available for 2024, the most recent year of data is shown and noted in brackets on the axis.

It should be noted, however, that data quality varies within the IFRC Network Databank. Some RCRC National Societies were excluded from the analyses as the aggregate and disaggregated totals did not match. Furthermore, for analysis in Chapter 1, it was found that significant amounts of funding to some National Societies was found on FTS that is not included in the IFRC Network Databank.

A closer look at the sources of external funding shows how external funding is intimately connected with the wider International Red Cross and Red Crescent Movement (Figure 20).

Figure 20 Sources of income from abroad to National Societies in emergency contexts



Source: HPG based on the International Federation of Red Cross and Red Crescent Societies Network Databank.
Notes: External sources include income from foreign governments, the UN, pooled funds, other RCRC National Societies, the IFRC, and the ICRC. Emergency contexts are defined as countries where there are interagency appeals. Whilst it is recognised that the UN-led system is separate, this allows a common frame of reference across analyses.

Figure 20 shows that most external resources come from one of three sources: other National Societies (which may be those in traditional donor countries), the IFRC, and the ICRC. In 2024, 92% of external resources for National Societies in emergency contexts came from inside the International Red Cross and Red Crescent Movement (48% from RCRC National Societies, 30% from IFRC, and 13% from ICRC). This is similar to most other years across the period shown (excluding 2021), and external

funding from the International Red Cross and Red Crescent Movement fluctuated between 79% to 91% of external income. Funding from other external sources, such as the UN, foreign governments, or pooled funds, tended to constitute a small percentage of the overall income to these National Societies.

This paints a picture of a funding system that is quite distinct and separate to the rest of the humanitarian system. Whilst the funding source may in part be the same (e.g. OECD DAC donors providing funding to domestic National Societies that pass it on), National Societies in emergency contexts are intimately connected with the broader parts of the International Red Cross and Red Crescent Movement, and not as directly with the broader international aid system.

4.5 Gaps in our knowledge – INGOs, private sources, and domestic resource mobilisation

As noted in Chapter 1, the improvements in quantifying and identifying funding to LNAs come primarily from improved reporting from UN agencies since 2022. And whilst the UN is responsible for programming a large volume of overall international humanitarian assistance, there are other actors for whom less is known about funding flows.

4.5.1 INGO funding to LNAs

INGOs are a significant part of the humanitarian ecosystem, receiving $5.1 billion from public donors (governments and EU institutions) in 2024 and representing 18% of public donor funding (ALNAP, 2025). Within the funding ecosystem, INGOs play a critical role as intermediaries by partnering with LNAs, as many government donors do not 'have the capability to administer direct contracts with [LNAs]' (Grand Bargain Subgroup on Intermediaries, 2025). Despite this critical role, it is still not clear how much funding is passed on by INGOs to LNAs.

INGOs themselves report how much funding they give to LNAs as part of the Grand Bargain self-reporting process. In 2024, 17 INGOs reported to the Grand Bargain that they had funded LNAs, totalling $796 million. However, these are aggregate global figures, and the same organisations rarely report disaggregated financial flows to public reporting platforms such as OCHA's FTS or IATI.

Table 2 shows INGOs that reported to the Grand Bargain giving $20 million or more to LNAs in 2024. These organisations reported giving a total of $717 million to LNAs. However, only $14 million of financial flows provided by those INGOs to LNAs can be found on FTS, whilst only $24 million can be found on IATI, representing 2% and 3% respectively of what the same organisations reported to the Grand Bargain.

The primary issue is that of reporting by the INGOs themselves. Of the $14 million found on FTS, all funding flows were reported not by the INGOs themselves, but by LNAs receiving the funding. Of the funding found on IATI, data is incomplete and there are large inconsistencies between reporters (and organisations of the same federations) in how they report transactions, leading to difficulty in identifying humanitarian funding flows to LNAs from INGOs.

Table 2 INGO funding in 2024 to LNAs by reporting mechanism

Organisation	Grand Bargain self-reports		FTS	IATI
	Volume	Share of income	Volume	Volume
International Rescue Committee	$146 million	15%	$2.5 million	$2.7 million
CARE	$136.3 million	26%	$5.1 million	$3.6 million
Catholic Relief Services	$88.7 million	15%	–	–
World Vision	$80.8 million	7%	$1.6 million	–
Save the Children	$71.0 million	11.5%	$3.9 million	–
Oxfam	$44.9 million	26%	$0.4 million	$15.0 million
Norwegian Refugee Council	$39.2 million	6%	$0.1 million	$1.9 million
Islamic Relief	$33.3 million	19%	–	–
Danish Refugee Council	$29.3 million	6%	–	$1 million
Danish Church Aid	$25.7 million	25%	–	–
Christian Aid	$21.4 million	78%	–	*
Total	**$716.6 million**		$13.6 million	$24.3 million

Source: Grand Bargain self-reports, OCHA FTS, IATI
Note: All financial flows have been converted to USD using OECD DAC exchange rates for 2024. IATI flows include all publishers of the same grouped organisation (e.g. Oxfam includes Oxfam GB, Oxfam America, Oxfam Novib, etc.) and filters for transactions with a specific humanitarian flag. *Christian Aid data does not flag humanitarian transactions specifically – including all transactions for Christian Aid would equal $9.4 million. Table shows organisations that declare over $20 million provided to LNAs as per Grand Bargain self-reports. Percentage of income self-reported to the Grand Bargain.

INGOs lag behind the UN in public reporting on financial flows to LNAs. The disaggregation of financial flows by UN agencies in partner information allows for data to be independently verified and thus gives a more comprehensive view of how much funding goes to LNAs, by recipient organisation and country. In Chapter 1 it is noted that 9.5% of all humanitarian funding goes to LNAs according to available data – if this were to include the funding that is not independently verifiable from INGOs but reported to the Grand Bargain, this percentage would rise to 12.1%.

This underscores the need for INGOs to make better use of the publicly available platforms that exist for reporting financial flows to LNAs, notably FTS and IATI. Even without using these platforms, UN agencies provide an example of publishing data in their own formats (whether tables or dashboards), which, if followed by INGOs, would also allow a better understanding of flows to LNAs.

4.5.2 Private sources of funding

International private funding for humanitarian response constitutes a significant source of funding for the sector – around $7 billion in humanitarian funding (around 17–18% of the total sector in recent years) (ALNAP, 2025). Despite its significant role in funding humanitarian response, there is little data available regarding its role in funding LNAs. In 2024, only $16 million can be found on FTS going to at least eight LNAs globally. This compares to $483 million going to non-local actors.

This raises several issues. First, the combined amount ($500 million) is far short of the $7 billion noted by ALNAP. Thus, there is underreporting of private funding across the board, not just funding going to LNAs. This is in part because private donors are not reporting contributions to FTS. For example, all recorded funding from the Gates, Hilton, LEGO and Mastercard foundations, as well as that from the GAVI Alliance and Global Fund, is attributed to international actors on FTS, as it is the partners that are reporting these contributions, not the private donors themselves.[18]

Second, the $16 million found on FTS is certainly an underestimate of private funding to LNAs. For example, an HPG report on financing refugee leadership found $25.4 million from private donors going to RLOs alone in 2024 (Sturridge et al., 2025). This includes funding from the Hilton, Mastercard and Vitol foundations, amongst others, who are not recorded on FTS as having provided any funding to LNAs. It could be argued that the figure going to RLOs is not always strictly 'humanitarian' funding and so this is not a like-for-like comparison. Nevertheless, it provides a useful comparison point, and thus the real figure is likely to be a lot higher. The *State of disaster philanthropy* report is also another useful comparison point. The report highlights $29.7 million in philanthropic giving to non-US recipient organisations (CDP, 2025), again higher than the amount found on FTS (and just restricted to philanthropic giving).

One simple step forward would be for key private funders, namely a range of large philanthropies and foundations, to report funding to FTS or IATI. In addition to the lack of reporting on FTS, many private foundations also do not report to IATI.

This report does not analyse other sources of private funding, such as funding from diaspora or remittances. This is not to diminish the role of these funding flows – indeed, remittances have historically outstripped humanitarian aid in terms of resource flows and can be a vital source of income for short-term consumption in response to a shock (Bryant, 2019). However, they are a fundamentally different type of external resourcing and thus outside the scope of this paper.

18 According to the GAVI website, the vaccine alliance is a 'public–private' partnership. The Global Fund to Fight AIDS, Tuberculosis and Malaria has been consistently coded as an 'international NGO' since 2023, although the Global Fund's website identifies the organisation as a multilateral funder. Thus, whilst both are classified as private organisations on FTS, this may not necessarily accurately reflect the nature of the organisations.

4.5.3 Domestic government funding

Another gap in understanding who funds humanitarian response is money that comes from domestic governments. The 2019 *Global humanitarian assistance* report notes that in countries with recurrent humanitarian appeals, government revenue totalled $272 per person, compared to $16 per person in international humanitarian funding (DI, 2019). Whilst the former includes all government revenue and not necessarily domestic allocations for crisis response, it is indicative that often governments have resources in the same contexts that have recurrent humanitarian appeals.

However, the extent of domestic allocations to humanitarian response is not consistently reported. This may be due to the fact that, according to the FTS criteria for inclusion of funding data, FTS is to include 'only aid that is provided internationally. For example, government domestic spending on refugees within its borders will be excluded' (OCHA, 2017).

Furthermore, domestic allocations to humanitarian response also raise definitional issues. Whilst support by disaster management agencies can be more clearly considered 'humanitarian', other forms of assistance such as shock-responsive social protection may be less readily understood as 'humanitarian'.

Prior to 2020, total funding from domestic governments on FTS rarely reached above $100 million. In 2024, this had risen to $591 million. The majority of this came from five domestic government donors (80%). The same holds broadly true for 2023 (69%).

There has been some increase in recent years in the reporting of domestic funding. In 2019, only one government was found to spend more than $10 million on domestic response. By 2024, this had increased to 12 governments. Despite this, the dynamic mirrors that related to private funding: international aid agencies may report funding, whilst the source of the funding does not – domestic governments in this instance. In 2024, only the government of Somalia reported funding directly to FTS, whilst all other government funding was reported by an aid agency.

This is not necessarily an issue. Funding flows from the government of Somalia are to UN agencies (such as the Food and Agriculture Organization, IOM and WFP) for activities within the HRP, which is both within the scope of FTS reporting and represents a distinct case – funding flows from governments to UN agencies (likely from international sources in the first instance) is different from governments both domestically raising and spending such funding.

Furthermore, domestic flows from an LNA (such as a government or an NGO) to another LNA are extremely limited in FTS. In 2024, only three partnerships can be found globally between LNAs in the same country, totalling less than $1 million.

The paucity of data raises a broader question: what is the role of domestic governments and international agencies with regard to reporting data on domestic allocations? It is not incumbent

on domestic governments to report their activities to systems such as FTS (as FTS guidance notes these activities are beyond its scope), although there is a broader argument around transparency on government allocations and accountability to their own populations.

However, one responsibility of international agencies that coordinate responses, such as OCHA and UNHCR, is to understand the role of the international system vis-à-vis domestic governments, as well as to coordinate with governments. One avenue of further inquiry would be to explore whether coordinating agencies could collect and publish data on domestic allocations in order to better inform the role of international humanitarian response, at the same time as not placing undue burden on domestic governments.

It is also the case that in some contexts, the lack of information on authorities providing assistance is also a function of the fact that governments or authorities may be parties to the conflict, and thus the dynamic in providing assistance or collaborating with humanitarian responders is inherently different to, for example, a government responding to a natural disaster.

Recommendation: INGOs and NGO-led funds should improve public reporting on their contributions to localising humanitarian funding

INGOs and NGO-led funds are important drivers of more locally led humanitarian responses. Some of them present radical shifts in international humanitarian assistance by pivoting from the direct delivery of programmes towards solely relying on equitable partnerships with LNAs as implementers, as in the case of Christian Aid (Christian Aid, 2025). However, despite ongoing efforts by ICVA and others to improve this, there is a lack of visibility on the quantity and quality of funding they are providing to LNAs. We therefore recommend:

INGOs and NGO-led funds should comprehensively publish timely and accessible data on the quantity and quality of funding they provide to LNAs.

Like our recommendation on the transparency of UN agencies, this public data should be in machine-readable formats (e.g. CSV files), as close to real time as possible, and interoperable through the inclusion of a minimum set of standardised fields (including USD amount, year, country, recipient organisation name and recipient organisation type, which matches Grand Bargain definitions). Such standardised fields would also make it more feasible to publish this data to public reporting platforms such as the IATI Standard and OCHA's FTS.

Improved visibility of funding to LNAs by INGOs and NGO-led funds, in particular locally led ones, would also help government and private donor institutions with how to best support local and national civil society in ways that are complementary to the large amounts of funding channelled through the UN system.

Recommendation: Conduct further research on how international funding fits with wider crisis financing

Our report primarily focuses on the analysis of international humanitarian funding to LNAs. This chapter points to other funding sources relevant to those actors (e.g. domestic governments, MDBs and diaspora), and further research is needed on their relative significance for LNAs in assisting crisis-affected populations. We therefore recommend:

International humanitarian actors need to more systematically identify which resource flows and institutions already support locally led responses in crisis contexts and enable those.

Otherwise, the localisation of international funding may reflect another form of globalisation by forcing international ways of operating (e.g. the cluster system, due diligence protocols, and the separation of humanitarian and development assistance) on a diverse set of contexts and actors.

Conclusion

Despite the newly analysed funding data in this report from four UN agencies and the IFRC Network, the share of international humanitarian funding reaching LNAs of less than 10% in 2024 still falls significantly short of the 25% localisation commitment. The newly available UN partner data could help identify in what contexts each agency is struggling to localise its funding and response, deserving further scrutiny on how to remove those context- or agency-specific barriers. However, the timelines and accessibility of UN partner data need to improve to enable this. INGOs need to also follow suit in improving the transparency of funding they provide to LNAs. LNAs and donors could then draw on this data to hold intermediaries that fail to localise funding to account and to reward and acknowledge those that succeed.

Our findings can help refocus current debates on how to make overdue progress on localising humanitarian funding based on the most recent data available. UN agencies, partly owing to the vast amounts of resources they receive, were the largest providers of funding to LNAs and deserve proportional scrutiny of their role in supporting more locally led crisis responses. Many CBPFs likely need to diversify their set of local and national partners to be able to scale up funding to them. And government donors holding the purse strings could yet do more to hold the intermediaries, on whom they rely to pass their funding on to LNAs, to account.

The contribution of newer funding mechanisms to progress localisation commitments, such as INGO-led funds or locally led solutions, is not yet visible in the data. It is therefore too early to see how much they will be able to shift the funding needle towards the 25% target, though donors and LNAs might want to bet on those newer mechanisms in favour of the traditional funding channels that have failed to localise sufficiently over the course of the last decade.

The need for more timely and accessible public data on humanitarian funding to LNAs is especially relevant given the funding cuts. As shown in our preliminary analysis of 2025 data, there is a risk that shrinking government donor funds will lead UN agencies and INGOs to consolidate what funding remains for their own staff and programmes, disproportionately cutting down on their partnerships with LNAs. Better data is urgently needed to identify and mitigate the risk of this possible retreat from localisation commitments.

References

ALNAP – Active Learning Network for Accountability and Performance (2025) *Global humanitarian assistance report 2025*. London: ALNAP/ODI Global (https://alnap.org/help-library/resources/global-humanitarian-assistance-gha-report-2025-e-report/).

AP – Associated Press (2026) 'The US and UN launch a humanitarian fund with $700 million for war-ravaged Sudan'. The Associated Press, 4 February (https://apnews.com/article/sudan-us-uae-war-un-2a0ea03546391969bffd3ad845a6ee3f).

Barbelet, V., Davies, G., Flint, J. and Davey, E. (2021) *Interrogating the evidence base on humanitarian localisation: a literature study*. HPG literature review. London: ODI (https://odi.org/en/publications/interrogating-the-evidence-base-on-humanitarian-localisation-a-literature-study/).

Barter, D. and Sumlut, G. (2023) 'The "conflict paradox": humanitarian access, localisation, and (dis) empowerment in Myanmar, Somalia and Somaliland' *Disasters* 47(4): 849–869 (https://onlinelibrary.wiley.com/doi/full/10.1111/disa.12573).

Bryant, J. (2019) *Remittances in humanitarian crises*. HPG report. London: ODI (https://odi.org/en/publications/remittances-in-humanitarian-crises/).

CDP – Centre for Disaster Philanthropy (2025) *State of disaster philanthropy 2025*. Washington DC: CDP (https://disasterphilanthropy.org/state-of-disaster-philanthropy-2025/).

Christian Aid (2025) Stepping into the future: transforming Christian Aid to shift power to partners and communities. Webpage (www.christianaid.org.uk/news/about-us/transforming-christian-aid-shift-power-partners-and-communities).

Concern Worldwide (2024) *Beyond barriers: final study report*. Dublin: Concern Worldwide (www.concern.net/press-releases/new-research-identifies-key-barriers-preventing-progress-localising-humanitarian).

DI – Development Initiatives (2019) *Global humanitarian assistance report 2019*. Bristol: Development Initiatives (https://reliefweb.int/report/world/global-humanitarian-assistance-report-2019).

DI and NRC – Norwegian Refugee Council (2019) *Field perspectives on multi-year humanitarian funding and planning: how theory has translated into practice in Jordan and Lebanon*. Bristol: Development Initiatives (https://interagencystandingcommittee.org/grand-bargain-official-website/field-perspectives-multi-year-humanitarian-funding-and-planning-how-theory-has-translated-practice).

DI, in partnership with UNICEF and Oxfam (2022) *Overhead cost allocation in the humanitarian sector*. Geneva: IASC (https://interagencystandingcommittee.org/humanitarian-financing/iasc-guidance-provision-overheads-local-and-national-partners).

Els, C. (2019) *Country-based pooled funds: the NGO perspective*. Oslo and Geneva: NRC and OCHA (www.nrc.no/resources/reports/country-based-pooled-funds-the-ngo-perspective).

Gawel, A. (2026) 'Devex Newswire: Trump signals no letup in cuts to US foreign assistance'. Devex, 6 April (www.devex.com/news/devex-newswire-trump-signals-no-letup-in-cuts-to-us-foreign-assistance-112219).

Grand Bargain (2016) 'The Grand Bargain: a shared commitment to better serve people in need'. Geneva: IASC (https://interagencystandingcommittee.org/grand-bargain/grand-bargain-shared-commitment-better-serve-people-need-2016).

Grand Bargain (2020) 'Quality funding: how to reach critical mass'. Geneva: IASC (https://interagencystandingcommittee.org/grand-bargain-official-website/quality-funding-how-reach-critical-mass-june-2020).

Grand Bargain (2022) 'Grand Bargain Caucus on Quality Funding: outcome document'. Geneva: IASC (https://interagencystandingcommittee.org/grand-bargain-official-website/grand-bargain-quality-funding-caucus-concludes-new-funding-commitments).

Grand Bargain (2026) 'Endorsers of the Grand Bargain caucus outcomes (continuously updated)'. Webpage (https://interagencystandingcommittee.org/grand-bargain-official-website/endorsers-grand-bargain-caucus-outcomes-continously-updated).

Grand Bargain and DI (2023) 'Caucus on funding for localisation – Collective monitoring and accountability framework'. Geneva: IASC (https://interagencystandingcommittee.org/grand-bargain-official-website/caucus-funding-localisation-collective-monitoring-and-accountability-framework).

Grand Bargain Subgroup on Intermediaries (2025) 'Kick-Off Meeting Summary – 25 June 2025'. Geneva: IASC (https://interagencystandingcommittee.org/sites/default/files/2025-07/GB%20Subgroup%20Intermediaries%20KickOff%20Meeting%20Summary%20June%2025.pdf).

Grand Bargain Secretariat (2025) 'Grand Bargain Self-Reporting 2025'. Webpage (https://interagencystandingcommittee.org/sites/default/files/2025-09/OCHA%20-%20Grand%20Bargain%20Self%20Reporting%202025%20-%20ActivityInfo.pdf).

Hassanien, N. and Pearson, M. (2026) *How underfunding local organisations' overheads undermines humanitarian action*. HPG report. London: ODI Global (https://odi.org/en/publications/how-underfunding-local-organisations-overheads-undermines-humanitarian-action/).

IASC – Inter-Agency Standing Committee (2016) 'The Grand Bargain: a shared commitment to better serve people in need'. Geneva: IASC (https://interagencystandingcommittee.org/grand-bargain/grand-bargain-shared-commitment-better-serve-people-need-2016).

IASC (2018) 'Definitions paper: IASC Humanitarian Financing Task Team, Localisation Marker Working Group'. Geneva: IASC (https://interagencystandingcommittee.org/humanitarian-financing-task-team/documents-public/hftt-localisation-marker-definitions-paper-24).

IASC (2022) 'IASC guidance on the provision of overheads to local and national partners' Geneva: IASC (https://interagencystandingcommittee.org/humanitarian-financing/iasc-guidance-provision-overheads-local-and-national-partners).

IASC (2025) 'Statement by Emergency Relief Coordinator Tom Fletcher – the humanitarian reset phase two'. Geneva: IASC (https://interagencystandingcommittee.org/inter-agency-standing-committee/statement-emergency-relief-coordinator-tom-fletcher-humanitarian-reset-phase-two).

IASC (2026) 'Humanitarian reset: frequently asked questions'. Geneva: IASC (https://interagencystandingcommittee.org/inter-agency-standing-committee/humanitarian-reset-frequently-asked-questions).

ICVA (2023) *Pooled funding at a crossroads: a comprehensive review and analysis.* Geneva: ICVA (www.icvanetwork.org/topics/5532/news/10082058).

ICVA (2024) *NGO perspectives on pooled funds.* Geneva: ICVA (https://reliefweb.int/report/world/icva-ngo-perspectives-pooled-funds-november-2024).

ICVA (2025a) 'Mapping NGO-led pooled funds'. Geneva: ICVA (https://web.archive.org/web/20251111084816/https://www.icvanetwork.org/resource/mapping-ngo-led-pooled-funds/).

ICVA (2025b) *Publish once, use often: realising the promise of data in humanitarian work.* Geneva: ICVA (www.icvanetwork.org/topics/5532/news/10081687).

Kiros, H. (2026) 'The Trump administration is ending aid that it says saves lives'. The Atlantic, 22 February (www.theatlantic.com/health/2026/02/trump-state-department-ending-aid-seven-african-countries/686106/).

Loy, I. (2026a) 'Inklings | Save the Children and the elephant in the pool'. The New Humanitarian, 1 April (www.thenewhumanitarian.org/newsletter/2026/04/01/inklings-save-children-and-elephant-pool).

Loy, I. (2026b) 'Inklings | HNPW and the politics of pooled funds'. The New Humanitarian, 16 March (www.thenewhumanitarian.org/newsletter/2026/03/16/inklings-hnpw-and-politics-pooled-funds).

Noe, N. (2025) *Accelerating localization: a roadmap for the Sudan humanitarian fund*. Washington DC: Refugees International (www.refugeesinternational.org/reports-briefs/accelerating-localization-a-roadmap-for-the-sudan-humanitarian-fund/).

NRC – Norwegian Refugee Council (2022) *Pooled funds: the new humanitarian silver bullet?* Oslo: NRC (www.nrc.no/resources/reports/pooled-funds-the-new-humanitarian-silver-bullet).

NRC and DI (2024) *Catalogue of quality funding practices to the humanitarian response: 2nd edition.* Oslo: NRC (https://interagencystandingcommittee.org/grand-bargain-official-website/nrc-catalogue-quality-funding-practices-humanitarian-response-2nd-edition).

OCHA – Office for the Coordination of Humanitarian Affairs (2017) 'Financial Tracking Service: criteria for inclusion of reported humanitarian funding (Annex I, updated)'. Geneva: OCHA (https://fts.unocha.org/sites/default/files/2020-10/26.01.17_-_criteria_for_inclusion_-_2017_updated_annex_i.pdf).

OCHA (2023) 'Country-based pooled funds global guidelines'. Geneva: OCHA (www.unocha.org/publications/report/world/country-based-pooled-funds-global-guidelines-enaresfr).

OCHA (2025a) 'OCHA-managed humanitarian funds receive landmark $2 billion contribution from United States'. Press release, 29 December (www.unocha.org/news/ocha-managed-humanitarian-funds-receive-landmark-us2-billion-contribution-united-states).

OCHA (2025b) 'Humanitarian reset (10 March 2025)'. Press release, 10 March (www.unocha.org/news/humanitarian-reset-10-march-2025).

OCHA (2025c) *CERF annual results report 2024*. Geneva: OCHA (www.unocha.org/publications/report/world/cerf-annual-results-report-2024).

OCHA (2025d) 'Humanitarian landscape and reset (15 May 2025)'. Press release, 15 May (www.unocha.org/news/humanitarian-landscape-and-reset-15-may-2025).

OECD – Organisation for Economic Co-operation and Development (2026) 'OECD data explorer'. Webpage/dataset (https://data-explorer.oecd.org/).

Oxfam (2018) *Money talks: a synthesis report assessing humanitarian funding flows to local actors in Bangladesh and Uganda*. Oxford: Oxfam (https://policy-practice.oxfam.org/resources/money-talks-a-synthesis-report-assessing-humanitarian-funding-flows-to-local-ac-620447/).

Plichta, M., Scott, Z. and Nagaria, D. (2025) *The state of pre-arranged financing for disasters 2025*. London: Centre for Disaster Protection (www.disasterprotection.org/publications-centre/pafreport25).

Publish What You Fund (2024) '2024 Aid Transparency Index'. Dataset (www.publishwhatyoufund.org/the-index/2024/).

Sturridge, C., Girling-Morris, F., Spencer, A., Kara, A. and Chicet, C. (2023) *The failure to fund refugee-led organisations: why the current system is not working, and the potential for change*. HPG report. London: ODI Global (www.odi.org/en/publications/the-failure-to-fund-refugee-ledorganisations-why-the-current-system-is-not-working-and-the-potential-for-change).

Sturridge, C., Girling-Morris, F., Samaha, C. and Pearson, M. (2025) *How to finance refugee leadership: navigating a humanitarian system at breaking point*. HPG report. London: ODI Global (https://odi.org/en/publications/how-to-finance-refugee-leadership-navigating-a-humanitarian-system-at-breaking-point/).

Sturridge, C., Daigle, M., Pearson, M. and Veerapen, N. (2026) 'Country-based pooled funds... the key to unlocking localised funding, or just another blunt instrument?' ODI Global insight, 5 March (https://odi.org/en/insights/country-based-pooled-funds-localisation/).

US Department of State (2025) 'More lives saved for fewer taxpayer dollars: Trump Administration leads "humanitarian reset" in the United Nations'. Press release, 29 December (www.state.gov/releases/under-secretary-for-foreign-assistance-humanitarian-affairs-and-religious-freedom/2025/12/more-lives-saved-for-fewer-taxpayer-dollars-trump-administration-leads-humanitarian-resetin-the-united-nations).

US Embassy in Egypt (2026) 'Sudan Humanitarian Fund call to action event'. Webpage, 8 February (https://eg.usembassy.gov/sudan-humanitarian-fund-call-to-action-event/).

World Bank (2025) *An evaluation of the World Bank Group strategy for fragility, conflict, and violence, 2020–25*. Washington DC: World Bank (https://openknowledge.worldbank.org/entities/publication/14cc73e0-a23f-4962-84c7-a86cbe8ffcad).

Appendix 1 Methodology

Data sources for global funding flow dataset

Below we provide more detail on each of the data sources we combined for our analysis in Chapter 1 on how much international humanitarian funding is reaching LNAs.

- OCHA's FTS data captures international humanitarian funding globally in close to real time. While FTS started to primarily focus on countries with HRPs coordinated by OCHA, it has expanded its focus for some years to capture all international funding to humanitarian responses, including to countries without OCHA-coordinated plans or for humanitarian activities outside those plans in countries where they exist. The FTS team aligned its classification of recipient organisations with the organisation types agreed within Grand Bargain localisation discussions. We largely rely on those classifications, though performed quality checks on their accuracy and changed them to align with our understanding of those Grand Bargain definitions where needed (e.g. by checking that national government agencies are only classified as national actors in their own countries).
  FTS data provides a comprehensive overview of direct humanitarian funding from government donors and on indirect funding through OCHA pooled funds. There are instances of indirect funding provided by INGOs or UN agencies reported to FTS, though not systematically. We therefore rely on UN partner data for agencies with that data instead, and include FTS data on indirect funding where no alternative, more comprehensive source is available.
  OCHA FTS data available at: https://fts.unocha.org/
- We also used UNHCR data published on the UN partner portal, which details all partners each year. It includes data on countries, partner names and partner types (including distinction of international or local/national NGO partners), project descriptions and total budgets. Data is available for 2022 to 2024, though unfortunately only in a PDF format. In our analysis we classify all UNHCR partnerships as humanitarian and therefore include all their funding to partners.
  UNHCR partner data available at: https://supportcso.unpartnerportal.org/hc/en-us/articles/13420656571671-Collaboration-with-Funded-Partners
- WFP data published on the 'Non-governmental organizations' page on its website. Data is available for 2022 to 2024 and includes fields on countries, partner agencies, activity types and project descriptions, as well as expenditure amounts in US$. However, WFP data nominally only includes NGOs and not WFP's funding through its government partners (even though we identified a small number of government partners within it based on publicly available information on those partners). Also, WFP data does not include information on whether their partners were international or LNAs, which we classified based on publicly available information for this report – a time-consuming task. Data is again in a PDF so not an accessible format. For our analysis, we also assumed that certain types of activities (e.g. asset creation/livelihood activities, smallholder agriculture, and social protection support) are not humanitarian and therefore excluded them from our dataset on humanitarian funding flows.
  WFP field-level agreement data available at: www.wfp.org/non-governmental-organizations.

- CBPF allocations data was available in close to real time and with granular detail on the CBPF data hub. It includes classifications of local and national NGOs already; we added classifications of RCRC National Societies and local/national governments. The CBPFs also track sub-grants provided by CBPF allocation recipients to project partners. The aggregate view of those sub-grants is visible on the CBPF data hub; the disaggregated data was kindly shared with us by the CBPF team via e-mail. The data on CBPF sub-grants only includes the organisation types for the recipients of those sub-grants, including whether they were international or LNAs, and not their organisation names. All CBPF allocations and sub-grants data was included in the dataset given the funds' humanitarian mandate.
  OCHA CBPF funding data available at: https://cbpf.data.unocha.org/
- IOM publishes data on its partnerships on a dedicated webpage, again for 2022–2024. It includes data on recipient country, USD value, partner name, and project titles. Caveats are that the data is presented in individual PowerBI dashboards, which makes extracting it a heavy lift, and it is also lacking partner type classifications. Again, we had to decide on what partnerships are humanitarian and should therefore be included in our dataset. IOM provided a Project ID typology on what activities are humanitarian, which we used to make this decision. IOM partner data also only includes awards over $30,000, so could exclude an unknown amount of funding comprising smaller grants to community-based groups that usually receive smaller funding contracts.
  IOM contract data available at: www.iom.int/awarded-contracts-grants-recipients-and-selected-implementing-partners
- UNICEF data on its partnerships is published on its transparency portal. The data contains similar information to that of other UN agencies: country, partner name, partner type, and amount transferred to partners. Very helpfully, the data is accessible as a CSV file, which is more user-friendly. However, UNICEF's data required the most analysis on what partnerships can be considered as humanitarian. We combined this partner data with project data published by UNICEF to IATI and matched activities on whether they were marked by the IATI humanitarian marker or were reported under humanitarian DAC sector codes for more than half the project value. We also searched for humanitarian keywords in project descriptions. Based on our analysis and spot-checking results for false positives, we settled on using a combination of the keyword search and DAC sector code reporting. The IATI humanitarian tag seemed to be applied quite liberally, which might be due to the possibility of assigning it to any project no matter the sector.
  UNICEF partner data available at: https://open.unicef.org/documents-and-resources?topic_id=&text_id=implementing%20partners
- We drew on the IFRC Network Databank on funding to RCRC National Societies. This dataset includes large amounts of data on National Societies, including on their income, disaggregated by source type, in an Excel file – usefully accessible. Two issues arose with this data: one is how to align geographies with the rest of the humanitarian dataset given that the dataset includes National Societies in almost all countries globally so that it most closely aligns with what is being measured in FTS and the overall LNA number we use as a denominator in Chapter 1. We only included funding data for National Societies in countries with interagency humanitarian responses for inclusion in our dataset. The second issue was to define an 'external source' – we specifically looked at certain categories, such as foreign governments, UN and pooled funds, and external RCRC sources such as IFRC/ICRC/other National Societies.
  Red Cross funding data available at: https://data.ifrc.org/

Traceability of indirect funding

Grand Bargain signatories agreed to only count funding that reaches local or national humanitarian actors through up to one intermediary towards the collective target of at least 25% of total international humanitarian funding channelled through those actors (Grand Bargain and DI, 2023). Unfortunately, most of the publicly available, disaggregated data on indirect funding provided by intermediaries does not contain the information needed to link it to funding that was received by the same intermediaries. The only exception to this is data on sub-grants within CBPF projects from recipients of CBPF allocations, which include the CBPF project code and can therefore be linked to the original CBPF allocation. In this case, the CBPF is the one intermediary for the purpose of the agreed Grand Bargain definition of the global 25%, which is why we exclude those sub-grants from our percentage calculation in Figure 2 in Chapter 1.

Otherwise, all indirect funding is included in our calculations. This is partly because the largest provider of indirect funding in our updated dataset underlying the calculations in Chapter 1 is the UN; these agencies receive most of their funding from international government donors and therefore act as that one intermediary. There can of course be instances of UN agencies receiving funding from an intermediary (e.g. the Central Emergency Response Fund) and then passing on that funding to local or national actors, but given that the UN partner data does not allow us to connect it to funding received by the same UN agencies, we cannot account for this.

There is a risk of double-counting the same funds when adding up all funding data in our dataset underlying calculations in Chapter 1, given that it includes both direct and indirect funding. We sought to reduce this risk of double-counting by paying particular attention to including funding received or provided by each organisation from only one data source (depending on what data source is most comprehensive or reliable), and by accounting for this in our methodologies for each analysis and graph when aggregating funding data (e.g. by excluding CBPF sub-grants or netting those from the initial CBPF allocation depending on the analysis). Our methodology will be made publicly available in the form of the scripts we used to merge the various datasets, and to produce the datasets behind each graph. OCHA's CBPF sub-grant data is not yet publicly available. We welcome suggestions for improvement of the datasets and methodology.

The Humanitarian Policy Group (HPG) is one of the world's leading teams of independent researchers and communications professionals working on humanitarian issues. It is dedicated to improving humanitarian policy and practice through a combination of high-quality analysis, dialogue and debate.

Humanitarian Policy Group
ODI Global
Four Millbank
London SW1P 3JA
United Kingdom

Tel: +44 (0) 20 7922 0300
Email: hpgadmin@odi.org
Website: odi.org/hpg