



LOCALLY-LED RESPONSES TO CASH AND VOUCHER ASSISTANCE IN THE MIDDLE EAST AND NORTH AFRICA

PROGRESS, ENABLING FACTORS AND BARRIERS

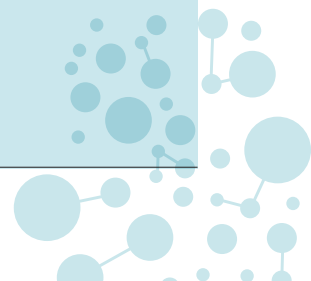
While the Grand Bargain 2016 indicated an international commitment to locally-led response in humanitarian aid, few advancements, in both policy and action, have been made towards localisation. With attention to locally-led response in cash and voucher assistance (CVA), this research aims to understand the barriers, progress and opportunities to locally-led CVA in the Middle East and North Africa (MENA) region.

This qualitative research study used secondary data sources including 28 key policies and literature documents, with primary data collected through interviews 35 local and international actors from Iraq, Jordan, Lebanon, occupied Palestinian territories (oPt), Syria, Türkiye and Yemen. The research highlights moments of tension between the reported commitment of humanitarian sector towards localisation and the actual steps implemented to advance locally-led CVA. Subsequently, recommendations emphasise the responsibilities of the sector in order to expand locally-led approaches in an inclusive and practical way.

DEFINING ‘LOCALLY-LED’ AND MOTIVATIONS FOR CHANGE FROM THE PERSPECTIVE OF DIFFERENT STAKEHOLDERS

There was no agreed definition of “locally-led” cash and voucher assistance (CVA). Most respondents agreed that localisation implies that local actors, either government or local NGOs, should become responsible for the design, implementation, management or coordination of cash or voucher programmes. These primary definitions, perceived objectives and motivations for locally-led CVA are summarised in the table below.

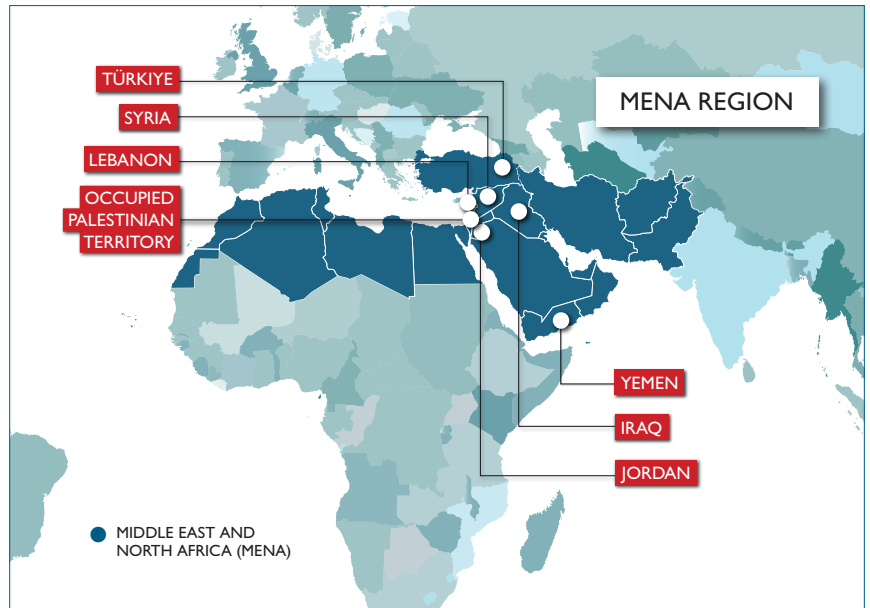
FROM THE PERSPECTIVE OF:	DEFINING LOCAL ACTOR	PERCEIVED OBJECTIVES	MOTIVATIONS
International organisations and consortia	<ul style="list-style-type: none"> Local NGOs RCRC National Societies Employees with local nationality working within international organisations 	<ul style="list-style-type: none"> Partner international NGOs with local NGOs “Empower” local NGOs by international NGOs 	<ul style="list-style-type: none"> Follow conventional wisdom Gain access to difficult to reach communities and areas Enhance programme quality
Donors	<ul style="list-style-type: none"> National governments Local NGOs 	<ul style="list-style-type: none"> Integrate parallel social assistance systems for both refugees and host communities 	<ul style="list-style-type: none"> Sustainability Reduce cost of assistance to refugees Transition away from humanitarian approaches and funding streams to adopt a nexus approach Enhance resilience
Local actors	<ul style="list-style-type: none"> Local NGOs Community-based organisations 	<ul style="list-style-type: none"> Power to design, implement, manage and coordinate CVA programmes independently of international NGOs Replace international NGOs Partner with other local actors including government, private sector and civil society organisations. 	<ul style="list-style-type: none"> Improve equality between local and international NGOs Enhance programme quality



EXISTING POLICY COMMITMENTS AND ACTIONS

Overall, the lack of policies and clear guidance on locally-led responses in MENA suggest a reluctance to commit to transformational change towards localisation. Current policies and actions focus on:

- ▶ Increasing participation in coordination groups.
- ▶ Aligning with social protection systems led by national governments.
- ▶ Increasing (although limited) direct funding or fair funding opportunities for local actors.



Although these strategies support individual capacities of local actors, these actions fail to adequately invest the necessary time, finances and trust needed to transform CVA through the leadership and ownership of local actors.

COMMONLY CITED PROGRAMMES AND BEST PRACTICES

- ▶ Estdama++ in Jordan
- ▶ Ankawa Humanitarian Committee (AHC) in Iraq
- ▶ Cash Assistance in Re-Emerging Markets (CARMA) Consortium in Syria

BARRIERS

Stakeholders identified a series of practical and ideological barriers to the implementation of policy commitments to locally-led CVA. On the surface, the **funding ecosystem** and the **international humanitarian system's existing structure** are associated with the practical barriers. Local actors struggle to establish the required systems and operational procedures necessary to comply with international standards of accountability, global data protection regulations (GDPR) and transparency.

The root causes of these problems reveal hidden and invisible power dynamics that prevent the growth of local actors into leadership responsibilities. International perceptions of **corruption and the politicisation of local actors** in MENA fuel the hesitancy to fund and partner with local NGOs and governments. While in some instances these issues may be valid, local actors felt the international community often held **mistrust and scepticism** of local actors regardless of the context and evidence. One stated, "donors are afraid to take that leap of faith and put that trust in us". Further, the continued concentration on the capacity building of individual professionals fails to recognise the experience of local NGOs.

ENABLING FACTORS AND OPPORTUNITIES

- ▶ Sharing learning and evidence from locally-led CVA during emergency responses such as Turkish Red Crescent leading assistance to the recent 2023 Kahramanmaraş earthquake.
- ▶ Promotion of local coordination groups like the Network for Empowered Aid Response (NEAR).
- ▶ Linkages with social protection and initiatives associated with humanitarian and development nexus.
- ▶ Government policies requiring local and equitable partnerships.
- ▶ Digitalisation of CVA supporting direct financial payments through local financial service providers (FSPs).

KEY RECOMMENDATIONS



- 01** Inter-organisational groups should continue to adopt **inclusive operational guidelines** to create space and elevate the voices and leadership of local organisations.
 - a Facilitate and provide resources for local actors to share learning and expertise more widely
 - b These groups must also recognise and **advocate for direct engagement with national-led bodies** such as NEAR or other locally-led cash working groups.

- 02** International institutions, including INGOs, consortia and UN agencies, **need to create public action plans** to institutionalise and operationalise localisation policies with specific attention to CVA. This should include:
 - a Shifting their position towards ‘knowledge brokers’ or technical consultants in which they support local actors in strengthening their systems and processes.
 - b Identifying indicators and measures of success that hold international organisations accountable to their commitments.
 - c Elevating existing locally-led mechanisms and ensuring they continue through early recovery and development transitions.
 - d Enabling direct conversations between local actors and financial institutions.

- 03** International actors **must challenge existing unconscious bias within their organisations and the humanitarian system.** This needs to be reflected in their effort to institutionalise localisation policies with specific attention to CVA, and recognising and elevating the strength of local actors in CVA.

- 04** Financial institutions and international consortia, must revise their internal processes to **create flexible and fair funding streams** accessible to local actors.
 - a This should include requirements that **demand INGOs develop localisation strategies** and local leadership within their project proposals.
 - b Support the allocation of funding towards indirect or overhead costs of local actors.
 - c Donors and country-based pooled funds must **engage with local actors directly.**

- 05** Local actors must continue to claim their own coordination and inter-organisational spaces, and national governments should create regulations and policies that require international actors to create equal partnerships centred on local leadership.