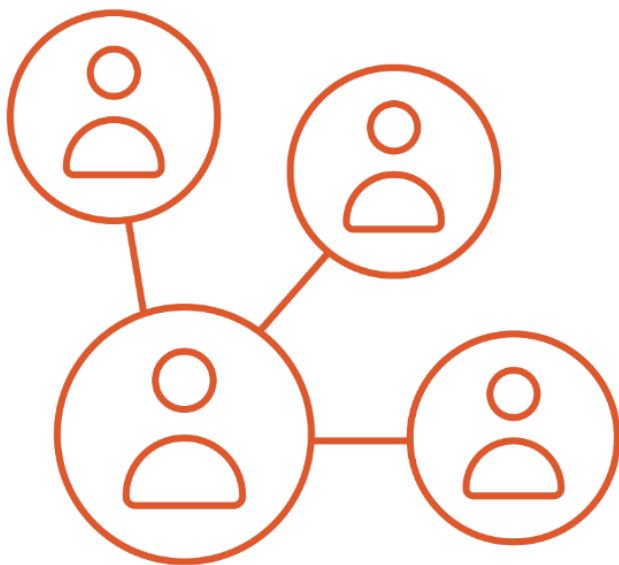


SEPTEMBER 2026

SYNTHESIS REPORT

INTERMEDIARY MODELS FOR LOCALLY LED ACTION

A DECISION FRAMEWORK AND
RECOMMENDATIONS FOR
HUMANITARIAN DONORS



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1. Introduction and Summary

Many donors have revitalized their commitments to advancing locally led humanitarian action, even in the midst of major changes to the aid system. In the face of a major reduction in funding, many donors continue to affirm that local actors should have leadership over decisions that affect their lives and that local leadership and ownership are critical for programmatic success.

Part of the localization conversation revolves around intermediary organizations—organizations that manage donor funding, redistributing aid resources to other, often smaller, local and national organizations, institutions, grassroots groups, or communities.

Intermediaries matter because most donor funding cannot—for legal, capacity, or other reasons—flow directly from donors to the myriad local—often relatively small, sometimes informal—organizations or groups that are central to a humanitarian response. Intermediaries can be international, regional, or local NGOs, private sector entities, multilateral bodies, as well as partner country government institutions. They can also have a range of structures from individual organizations to networks or consortia and can manage individual funding or pool funding from various sources.

A note on terminology

This report uses the term "intermediary" to describe organizations that regrant or channel donor funding to other actors. The term has limitations worth acknowledging. It risks defining organizations in relation to donors rather than in their own right and implies a homogeneity that does not exist. Most organizations that perform intermediary functions also engage in direct programming, capacity sharing, advocacy, and evidence generation. Several participants in our research pushed back on the label directly, arguing that it understates the breadth and significance of their role. We use the term in this work acknowledging its limitations.

This report also refers to "local actors" which in this case broadly encompasses local and national organizations as well as other actors such as national and subnational governments, community-based groups, and the private sector.

One key question is how funders can channel more funding through local intermediaries that are rooted in their communities, both for the ethical and practical reasons noted above but also because, in some cases, local partners have been shown to be more cost efficient than international partners.

A second key question recognizes the important role international intermediaries will retain in the near to medium term and asks how these international partners are devolving resources and decision-making power to local levels and engaging in equitable partnerships.

The Share Trust’s recent research across six countries with significant humanitarian needs—Afghanistan, Myanmar, Sudan, Syria, Uganda, and Yemen—adds evidence to those questions by mapping the landscape of local intermediaries, identifying international intermediary models that shift funding and decision-making power to local levels, and assessing the comparative advantages of different categories of intermediary actors. Through this research (late 2025-2026), the Share Trust also interviewed dozens of other local, international, and donor actors to understand their perspectives on opportunities for increasing locally led action, the barriers to doing so, and the comparative advantages of different categories of intermediaries for achieving these goals.

While each country study surfaces context-specific barriers to and opportunities for locally led humanitarian action, several overarching takeaways emerged across this body of work:

- **In many countries, the landscape of local intermediaries is thin:** While most countries have an active ecosystem of local and national NGOs, few of these organizations perform intermediary functions at scale. Humanitarian partnerships with local actors outside of an intermediary role also matter for reaching communities, delivering services, and supporting civil society in its own right. But growing the pool of local intermediaries can help spread resources across a broader ecosystem of local actors while reinforcing local networks and systems and driving a more localized response. Funders may need to invest directly in expanding this landscape, diversifying the set of local organizations performing intermediary functions rather than concentrating resources in a small number of them.
- **International intermediaries play a significant role in shifting resources to local actors:** Examples included international intermediaries—particularly INGOs—focusing on backend functions with design and implementation decision making sitting with their local partners; giving local partners equivalent or greater levels of decision making authority as international partners in consortia or pooled funds; intentionally designing programs to progressively devolve leadership of grant responsibilities to a local partner; and creating opportunities for feedback from local partners on partnership quality. The international intermediaries most successful in these roles often either had locally led action built into their core operating model—something that donors “bought into”—or received clear direction from donors, specified in award terms, that devolving resources and decision-making power was a core requirement.
- **Constraints to local funding and decision making are demand-side in addition to supply-side:** As noted above, donors have the power to require greater attention to local leadership but do not always exercise it. Furthermore, while it is easy to blame limited local funding on lack of capacity, this is an overly simplified assessment. In all six countries there are some relatively large local intermediary organizations with experience managing sizeable grants; many have also received regular (and sometimes repetitive) capacity strengthening to better position them to work with donors. Still, donor funding does not materialize in part because of the next takeaway.

- **Localization sits alongside other donor priorities:** Limited donor progress on localization reflects its positioning amidst a range of other donor priorities and characteristics—some enabling, some constraining—that donor staff need to balance; localization often gets the low end of the tradeoff. Leadership and management decisions can shift the balance of how localization is weighed among various factors; other priorities fall outside a donor agency’s direct control.
- **Fundamentally, localization is a “how” not a “what”:** Localization is not principally a property of actor type. Instead, it is a property of practice, process, and accountability. The measure of whether localization is achieved—for any type or nationality of partner—is whether, at the end of that chain, the people most affected by the response are genuinely shaping it.
- **A more intentional focus on complementarity is necessary:** There is convergence around the comparative advantages of different types of organizations in broad terms: local NGOs often have strong community linkages and access to last mile delivery that make them critical for leading program design; INGOs have capacity to manage large amounts of money, can navigate donor requirements, have cross-context experience, and bring advocacy/fundraising connections; the UN has convening power and political legitimacy and can absorb money fast. Pooled funds pool resources and risk and reduce individual donor influence but not all are the same in terms of local funding and decision making. Indeed, because there is considerable variation within those categories, an intentional, context-based assessment of how different partner types complement one another is critical. The goal should be to leverage the unique strengths of each entity—with international actors doing only what they can do—and focus on how these partnerships can reinforce local leadership rather than displace it.
- **Philanthropy’s more flexible funding can complement institutional donors’ efforts:** While philanthropy, bilateral, and multilateral donors share some similar constraints like a certain degree of risk aversion, many philanthropic funders have flexibilities that can complement institutional donors’ more bounded approaches. Opportunities include co-creating investments alongside bilateral donor funding to cover elements that institutional donors cannot fund due to sectoral limitations or other requirements; supporting local ecosystems, including but not limited to broadening the base of viable local intermediaries and networks among them; and investing in independent research, advocacy, and accountability functions that introduce new ideas, validate and elevate internal champions, and/or hold donors to account for progress toward their commitments.

Drawing on these perspectives, this paper sets out a framework to help donors embed a localization lens into their selection of an intermediary partner, while recognizing that donors’ commitment to locally led action is just one of several goals and constraints shaping their decisions.

A concluding set of recommendations goes beyond partner selection, identifying a set of concrete steps donors, international intermediaries, and local intermediaries can take to create and leverage opportunities for more locally led humanitarian assistance. While this paper highlights several underemphasized opportunities for action, many of the recommendations it also surfaces are familiar ones. This does not suggest no progress has been made—just that it has been slow and deeply uneven. Systems change, mindset shifts, relationships, and capacities to work in new ways (for both donors and local NGOs) take time to develop—and are prone to disruption from shocks like funding and staff cuts. That reality calls for patience with the pace of deeper change. It equally calls for impatience to take the concrete steps available now to shift resources, power, and process closer to local levels.

2. The Intermediary Landscape

Local intermediaries support networks of local, community based, or grassroots organizations, providing a range of functions, and vary substantially, both within and across countries, in terms of size and mandate. Across the six countries, the Share Trust used a network-based, “snowball” approach to map, via surveys and interviews, nearly 50 “large” local intermediaries (operating budget >~\$2 million). These local intermediaries—all formal organizations—vary considerably in age, scale, and focus—from smaller NGOs to national NGOs with budgets over \$10 million and hundreds of staff. As intermediaries, all work with smaller entities and movements, including informal and grassroots organizations. However, they all reported functions beyond “intermediary,” often including direct programming, capacity support, resource mobilization, and advocacy. Most organizations predate the humanitarian responses they are now central to, adapting across humanitarian, development, and peacebuilding work.

The number of larger scale intermediaries varies by country, however. While the mapping was not necessarily comprehensive, the number of “large” intermediaries identified ranged from fewer than five in Sudan to 12 in Afghanistan. This variation matters for donor strategy. In contexts where fewer large local intermediaries exist, the case for investing in their growth is stronger—as is the importance of ensuring that smaller organizations can access funding through intermediary models suited to their scale.

International intermediaries span a wide range of organizational types—from UN agencies to small INGOs—each with distinct approaches and partnership structures, with multiple examples of INGOs intentionally managing programs in ways that devolve significant power and funding to local actors and/or transition responsibility and leadership to local partners. While most international intermediaries do transfer funding to national, local, and community-based actors, the degree of decision-making power accompanying the funding varies widely. The most meaningful locally led approaches tend to involve local actors early in program design, offer flexible funding, work with existing local networks, and elevate local actors prominently in governance and decision-making structures.

3. The Comparative Advantages of Different Actors: A Starting Point

The study found a high level of convergence, both within countries with different partner types, as well as across countries, on the comparative advantages of different broad categories of partner types in delivering programs, but within-group variation is considerable based on individual organization's characteristics. The table below categorizes local and international intermediaries' comparative advantages based on perceptions that emerged through interviews and other elements of this research. These comparative advantages are tendencies rather than fixed attributes, however, and there is substantial heterogeneity within groups. Managing donor compliance, for example, is a strength associated with many INGOs, but some local entities are equally strong—and more could become so with experience or in a lower-burden compliance regime.

International entities	Local/domestic entities
INGOs and multilateral agencies (e.g., the UN) can both... - absorb significant donor funding - prefinance activities under cost reimbursement agreements (especially larger entities) - work at scale, including large scale procurement - be neutral, impartial, and independent in contested or conflict affected areas - share technical and organizational capacity with local staff and downstream partners - often support security and protection of local partners - have shared language/culture with donors which can ease facilitation/negotiation - access and maintain global supply chains - utilize global banking arrangements	Local/National NGOs can... - have continued presence: existing/working within a local system before, during, and after aid funding - often have deep, nuanced understanding of communities, political economy, history, cultural context and norms, needs, etc. - come in as first responders to crises due to their proximity - represent or access certain communities more easily (especially marginalized or less targeted communities) - have closer, trusted relationships with communities - have local leadership, ensuring local decision making at all organization levels - have a built-in nexus approach, unburdened by development-humanitarian silos - lead domestic advocacy efforts
INGOs can... - excel at interfacing with donors and managing compliance requirements - help translate donor requirements to organizations with less experience in this area - support growth of international networks among partners (sometimes) access areas that UN agencies cannot due to their government relationships	Local/domestic private sector can... - understand and respond to domestic market signals - have brand recognition and trust among domestic populations
	Host country governments can...

• share lessons across countries • reach Global North audiences/policymakers with advocacy, stories, and experiences that can contribute to funding and/or policy change UN agencies can... • create global standards • quickly receive and allocate bilateral funding • have convening power, pulling multiple stakeholders together for meaningful dialogue or coordination • have political legitimacy to engage governments • facilitate access to areas in humanitarian contexts that can't be reached by commercial travel/freight services	• define national or subnational priorities • provide a shared roadmap to align work of various local and international actors • set national standards and negotiate/commit to international conventions • act as a key platform for scale • have an inherent role in public service delivery/management of public goods • if democratically elected, be accountable to citizens in ways NGOs are not • have long term presence
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While this table provides a broad overview, there is, as noted above, considerable variation within any of these categories of actors. For instance, being international is not necessarily synonymous with capacity strengthening skills, as noted by interviewees who flagged INGOs' uneven capacity strengthening approaches. A small, local civil society organization and a national NGO are both "local" but will have very different strengths, constituencies, and capacities. What any organization can deliver depends upon its specific expertise and relationships—and even the attitudes, priorities, and capacities of individual leadership and staff—and how these intersect with the context. Being local, for example, does not in itself mean an organization engages diverse communities well; some, in fact, may reinforce patterns of marginalization. What matters is the quality of its community ties and participatory approaches, ensuring—across partners—that a diversity of communities, including often excluded groups, are covered. Similarly, there are international organizations with longstanding ties to countries and communities within them; the question in those cases is the extent to which the international elements (e.g., leadership) of these organizations elevate or block local perspectives and power. Attention to heterogeneity is an important factor even within specific types of mechanisms; for instance, different UN OCHA Country Based Pooled Funds demonstrate divergent levels of commitment to devolving resources and power to local actors. These dynamics underscore the need for attention to individual characteristics.¹

¹ Sturridge, C. et al. (2026). [Country-based pooled funds... the key to unlocking localised funding, or just another blunt instrument?](#) ODI.

4. Beyond Locally Led Action: The Goals and Constraints. Shaping Donor Decision-Making

While many donors have made explicit commitments to advancing locally led humanitarian action—as part of the 2016 [Grand Bargain](#), in the 2022 [Donor Statement on Locally Led Development](#), and in the recent [Call to Action on Locally Led Development](#)—they also face a wide range of other goals and imperatives that influence how they implement their humanitarian and development strategies, including how they select the funding mechanisms and implementing partners they support. Intermediary selection requires weighing which comparative advantages are more important than others. Partner selection also takes place within a set of donor-side goals, constraints, and imperatives that shape what is possible— and that must be understood before a framework for selection can be useful in practice.

For example, in addition to goals of devolving resources and decision-making power, bilateral donors must also weigh:

- **Legal, regulatory, and policy requirements** that govern which types of partners donors can select; for example, some donors are only permitted to partner with organizations based in the donor country or region and many donors restrict partnerships with informal organizations);
- **Budgetary directives** that allocate money for multilateral agencies;
- **Commitment to multilateralism** for coordination, risk sharing, leveraging additional resources;
- **Strategic priorities** imposed by political leadership and/or legislative overseers or the Humanitarian Response Plan;
- **Prescribed due diligence and other compliance** requirements that dictate due diligence processes and reporting during implementation;
- **Preference for existing partnerships** and long-term relationships with certain partners that allow for more flexible funding in line with Grand Bargain commitments;
- **An imperative to move money quickly** to meet urgent humanitarian needs and/or to protect funds associated with a given fiscal year from expiring;
- **A need to demonstrate results** in terms of people reached with services, lives saved, suffering alleviated, safety and protection enabled, etc., often with specific goals related to sectors or particular populations;

- **Fiduciary risk tolerance** which can sometimes be expressed as a preference for established partners with a track record;
- **Legal risk tolerance** which may lead to a preference for partnerships with co-national organizations since it may be easier to recover losses under potential breach of contract;
- **Cost effectiveness** to ensure aid resources can be stretched to reach as many people as possible;
- **Staff limitations** that affect how many awards they can manage and how hands-on they can be;
- **Humanitarian principles** that require programs and partners to be independent, neutral, and impartial.

Some of these goals, if weighed heavily, would steer a donor toward—or away from—a particular set of partners. For example, legal limitations on direct local funding will require an international intermediary. A goal to increase direct local funding and/or an entrepreneurial risk appetite may push donors to work with local organizations. A commitment to multilateralism would suggest a preference for core funding to established UN agencies. An interest in cost efficiency may steer donors away from UN agencies which tend to have higher cost structures than INGOs or LNGOs.² Consortia, confederations, networks, or coalitions may be useful where there are a range of technical capabilities or geographic coverage required to achieve specific results that no individual actor possesses in full.

But outside of those broad parameters, selecting the right intermediary requires holding many of these considerations together, weighing the comparative strengths of different actor types against the specific goals, constraints, and context a donor faces. The framework below offers a structured process for doing so, organized around the premise that shifting toward more locally led humanitarian assistance is not just a question of partner type but a set of partner attributes that must be considered with intentionality. The framework presents a local-first logic—international involvement is treated not as a default but as something that requires active justification. It also surfaces considerations that donors should weigh regarding the quality of any partner’s locally led approaches, whether local or international.

² The Share Trust. (2026). [Passing the Buck - The Economics of Localizing Aid: Analysis of Four UN OCHA Pooled Funds](#).

5. Intermediary Partner Selection for Locally Led Action: A Decision Framework

About the decision framework: This framework outlines a sequenced and iterative decision making process for donors to use to embed locally led action as a guiding priority in their selection of an intermediary partner.

How to use this framework: Start with the groundwork steps, then work through each partner decision tier in order — government first, then local actors, then international. The right set of partners is usually a portfolio that draws on multiple tiers, but the goal is to assess local options first, with justification for internationally led approaches. Sequence matters: each tier should be actively explored and prioritized before moving on. This framework is designed to be used early in the planning phase of a programmatic strategy or humanitarian response when decision points about directing funding remain open.

Caveats: This framework does not include every factor a donor needs to consider in its selection of partners. For example, the evaluation of prospective partners' technical or sectoral expertise and geographic presence is assumed to be a key filtering step for any partner type so it is not made explicit here. Nor does this framework cover every step required for partner selection, many of which are codified in individual donors' policy. Instead it offers guidance for sequencing and the intentional weighing of certain elements that can help orient decision making to elevate the imperative of supporting more locally led development, peacebuilding, and humanitarian response.

Locally led action is not purely a property of partner type; it is fundamentally a property of practice, at every level, to elevate local decision making power and ensure responsiveness to communities. The recommendations in this framework are structural, but non-structural elements — like assumptions about where expertise sits, what kind of knowledge is important, whose risk tolerance matters, and what good delivery looks like — also require active engagement.

[Click here or on the description above to explore the interactive framework](#)

6. Recommendations for Action

The decision framework suggests an approach for selecting an intermediary. But selection is only part of the picture. **How donors reduce barriers to entry for local intermediaries (and other local organizations), structure awards with intermediaries, and establish expectations for local leadership and accountability also shape opportunities for intermediary models to devolve resources and decision-making power to those closest to the response.** The recommendations that emerged from the research cover a wide range of actions surfaced through this research that can help to shift both direct and indirect funding to local partners, as well as ensure that international intermediary models devolve decision making power to local levels. They are presented in categories of who bears primary responsibility, but they are not independent of one another. In several cases, the extent to which international intermediaries can act on a recommendation depends in part on steps donors must take to enable those changes.

Many of these recommendations have been raised elsewhere. Because progress toward them has been slow, however, they continue to surface and were raised as priorities by many of those interviewed as part of this research.

6.1 Recommendations for Donors

6.1.1. Key Opportunities

A few opportunities stood out as important and underemphasized in current localization discourse. Most of these are more related to management actions than policy choices and some may be relatively straightforward to address. These include:

- **Recognize that funding local actors—whether that’s direct funding to a local intermediary or engaging international intermediaries to fund local organizations—is not necessarily the same as localization.** What matters is whether agency and decision-making power have genuinely shifted — not only from the international intermediary to a local downstream partner, but from the local partner to the community level. The path of least resistance is selecting a well-established organization that already meets compliance requirements; the more demanding question is which organization is best placed to serve a community.

A related recommendation is that donors should use local funding targets judiciously. While local funding targets—either institution-wide or applied to individual programs—can spur more local funding and provide political cover for taking on measured risk in pursuit of new partnerships, it is important to be aware of the possible distortionary effects of funding targets. They may lead to overburdening local organizations, reinforcing power dynamics by consolidating resources in large, powerful organizations

and overlooking smaller, marginalized, or excluded actors. Donors should ensure that any focus on direct local funding is also accompanied by goals related to shifting where governance and decision-making sit.

- **Establish expectations for locally led and participatory processes in awards.**
 - **Build a focus on local leadership processes into scopes of work.** Criteria should go beyond target amounts of money expected to go to local actors and include criteria around governance structures, co-creation, local accountability and feedback loops, and other participatory processes. Donors should also consider where scopes of work should be structured around *supporting local actors to deliver* rather than direct delivery.
 - **Select partners on the basis of local leadership qualifications.** Instead of focusing solely on technical qualifications, cost, and important angles like access, partner evaluation criteria should also include qualifications on how well a partner and proposed key personnel can engage local partners and communities in co-creation, create meaningful local feedback loops, etc. References from downstream local partners can be important. This recommendation can also apply to how donors allocate resources across pooled funds; their choices should include an assessment of local leadership on boards and other decision-making structures and how funds allow for participatory processes.
 - **Create timelines and budgets for processes that support local leadership.** Processes like co-creation, locally led capacity strengthening, and creating local feedback loops take time and financial resources to do well; without resources they will be deprioritized.
- **Ensure donors' accountability processes with their partners include attention to locally led and participatory approaches.** Donors should use their check-ins with partners as well as award monitoring, evaluation and learning frameworks, etc. to focus intentionally on measured levels of local decision making,³ the quality of local partnerships, the quality and regularity of co-creation processes, how local feedback informs project adaptation, progress on capacity strengthening, progress on transitioning responsibility to local actors, etc., as relevant for the program. Partners are attuned to what donors are interested in, which can affect how partners allocate attention within projects. The research revealed that donors focus more often on the amount of funding going to local actors and the achievement of project indicators, highlighting a gap in accountability for local leadership. While the donor should not rigidly prescribe how these processes should look, ensuring attention to them helps

³ Pinnington, R., et al. (2026). [Who Decides, Who Delivers? Exploring Local Agency and Humanitarian Effectiveness in Nigeria and Ukraine](#). The Share Trust.

convey to their partners that locally led approaches are expected and important.

- **Focus on transitioning responsibilities to local actors as a goal from the outset.** Rather than tacking on a “sustainability plan” at the end of a project, undertake a deliberate process, like the Separation of Functions analysis,⁴ from the outset to identify, jointly with local and international actors, which entities hold different comparative advantages in a particular context, which functions each should lead now; and which should shift to local leadership over time—identifying what steps and resources are needed to achieve those goals. Then, donors, pooled funds, or multilateral agencies should include progress toward these transitions as core milestones and deliverables — not as aspirational language but as tracked commitments (transition awards provide one example of how this can work).⁵
- **Articulate *and* socialize institutional risk tolerance.** A conceptualization of risk should be inclusive of both threats and opportunities and should be disaggregated into specific risk types—fiduciary, programmatic, legal, reputational, etc.—rather than treating risk as a single, undifferentiated category. A donor risk appetite statement should acknowledge how different staff bear risk differently and how messaging around risk appetite should be tailored for different types of staff that bear different types of personal and professional risk. Staff need *concrete guidance* on how to weigh risks vs. opportunities, both within and across categories (for example, distinguishing zero tolerance for fraud from a higher tolerance for mistakes rooted in inexperience). Donors should also be transparent about what classifies a partnership as low, medium, or high risk, and what concrete steps or conditions would allow a partner to move between these categories.
- **Align donors’ own institutional capacity and incentives with localization objectives.** Advancing locally led action requires donors to examine their own institutional practices. Job descriptions, performance criteria, and portfolio reviews should include expectations around expanding local partnerships and facilitating devolution of power in all types of planning and funding arrangements. For direct local funding, additional technical project management skills may be needed to accompany new local partners. More broadly, donors can also do more to value the relational skills these approaches require, including active listening, approachability, and cultural fluency.

6.1.2. Additional Donor Recommendations

As noted above, many of the recommendations that follow are well known in localization discourse; however, their persistent mention across many interviewees in this research suggests they merit restating here. Because each recommendation may be implemented

⁴ The Share Trust. (2006). [Five Years, Five Actions: Assess, Don't Assume — Build Partnerships That Leverage Comparative Advantage and Shift More Roles to Local Actors.](#)

⁵ The Share Trust. (2026). [Transition Awards: A practical tool for localization - Experience from USAID.](#)

through different levers depending on the type of intermediary, this list identifies different types of approaches a donor might use to pursue it. Bilateral awards, in this case, can include a range of structures, including single-partner grants, contracts, or consortia. Pooled funds are inclusive of UN-led, INGO-led, and locally led pooled funds. UN agencies refer to UN entities other than UN-led pooled funds.

- **Create space for local decision-making through flexible funding.** Flexible funding allows partners to respond to local priorities in evolving contexts. Where sectoral requirements exist, donors can allow partners to propose interventions within those parameters.
 - ***Bilateral awards—local and international intermediaries:*** Use open calls for proposals, inception periods with co-creation processes, expectations for feedback and adaptation. Include cash approaches, where relevant.
 - ***Pooled funds:*** Use board position to encourage flexible funding.
 - ***UN agencies:*** Join forces with like-minded donors to UN agencies to encourage flexible funding.
- **Commit to multi-year funding.** The relationship-building and institutional development that underpin locally led humanitarian action requires time beyond short-term project cycles. While some may push back on longer-term engagement as inconsistent with a humanitarian mandate, the reality is that most humanitarian response takes place in protracted crises creating significant scope for multi-year partnerships. Longer-term partnerships can invest in the local institutions that are necessary not only for humanitarian response but also for carrying communities into recovery, development, disaster preparedness, and peacebuilding.
 - ***Bilateral awards—local intermediaries:*** Consider longer than 12-month programs that include support for partner accompaniment and capacity strengthening.
 - ***Bilateral awards—international intermediaries:*** Where interventions include institutional capacity strengthening for local downstream partners or other actors, consider longer timeframes.
 - ***Pooled funds:*** Channel more resources to funds structured for longer-term grants. Use board and governance roles to press funds (e.g., UN country based pooled funds) to make longer term funding less exceptional.
 - ***UN agencies:*** Use executive board positions to advocate for policy changes that could facilitate longer-term humanitarian funding where relevant.
- **Meet directly with local actors, including downstream partners.** Local actors' access to bilateral donors is often intermediated by INGOs or UN agencies, which can lead to gatekeeping. This distance limits donors' independent understanding of local context, priorities, barriers, and the quality of partnerships between local and international actors. Lack of direct contact with local actors can also limit donors' understanding of local capacity, doing little to dispel possible assumptions and reinforcing narratives

about international actors being "in charge."

- **Bilateral awards—local and international intermediaries:** Carve out space for engagement with local downstream partners during check-ins. Hold convenings with groups of local downstream partners.
 - **Pooled funds:** Push for opportunities for the board to engage local partners, local organizations that applied but did not get funding, and local downstream partners of lead grantees to understand their experiences and priorities.
 - **UN agencies:** Use donor coordination groups to systematize engagement with networks of local actors.
- **Ensure indirect cost recovery for local lead and downstream partners.** Indirect costs are necessary for an organization's survival, growth, and sustainability. One of the chief ways an organization can develop its institutional capacity is to have the funding to invest in relevant systems and central staff roles.
 - **Bilateral awards—local intermediaries:** Support local organizations to budget for direct vs. indirect costs.
 - **Bilateral awards—international intermediaries:** Clarify overhead and ICR rules with lead partners and clearly convey the expectation that downstream partners' overhead rates are covered comparably.
 - **Pooled funds:** Channel more resources to pooled funds with fair policy and demonstrated practice of equitable and reasonable indirect cost coverage. Use board and governance roles to press funds to implement equitable and reasonable indirect cost coverage and use oversight role to request accountability for doing so.
 - **UN agencies:** Use executive board positions and/or join with other donors to require fair overhead allocation policies and accountability for their implementation, including through budget transparency.
- **Support timely and compliant devolution of funding.** Especially in humanitarian contexts, donors can sometimes impose unrealistic burn rates for funds, which can affect their relationships with partners. Donor support—and aligned messaging between donors' contract/award management teams and program teams—can help partners understand how they can speed up getting money to the ground while remaining in compliance with legal and audit criteria.
 - **Bilateral awards—local intermediaries:** Clarify expectations for spending and compliance in advance to give potential partners full visibility into requirements of partnership.
 - **Bilateral awards—international intermediaries:** Align internal messaging and improve clarity on how intermediaries can balance pressure to devolve funding to local actors quickly while meeting compliance requirements.

- **Prioritize transparency:** Transparency across the delivery chain is essential for accountability — including accountability for whether local partnership commitments are actually being met. While donors have significant insights into and oversight over the budgets of awards made directly to partners of bilateral awards, many bilateral donor agreements with UN agencies afford donors limited visibility. Attention to a balance between transparency and protecting local actors is also important.
 - ***Bilateral awards—local and international intermediaries:*** Ensure the possibility of exceptions to standard publication requirements, including partner and sub-partner names, where disclosure could compromise partner security.
 - ***Pooled funds:*** Use board position to require transparency on direct and indirect local funding, overheads, management fees.
 - ***UN agencies:*** Use executive board position and/or align with other donors to require budget transparency on direct and indirect local funding, overheads, management fees, etc.
- **Reduce barriers to partnerships with local intermediaries.** While many local intermediaries are sizeable and have experience with direct donor funding, others may be newer to working with donors. Donors can take a wide range of approaches to reduce barriers to entry for local intermediaries.
 - ***Bilateral awards—local intermediaries:*** Pursue burden reduction steps that might include:
 - Streamlining due diligence to match award size and complexity; harmonizing due diligence processes across donors; shifting from binary go/no-go assessments toward "how to get to yes;"
 - Creating dedicated funding windows with competition restricted to local intermediaries;
 - Using lower-burden mechanisms like milestone-based awards;
 - Targeting communication about funding opportunities and processes to local partners;
 - Using local languages for announcements, award documentation, etc.;
 - Reducing weight on prior donor experience in partner selection;
 - Simplifying monitoring and reporting expectations.
- **Cultivate open, trust-based relationships with local partners.** Good relationships can help uncover and remedy issues early on. Fostering trust requires specific skills: active listening, approachability proactivity; language skills and cultural fluency also help. This recommendation is closely aligned with the recommendation about aligning institutional incentives, since it requires donors to pay attention to and value soft skills in addition to technical and compliance skills.
 - ***Bilateral awards—local intermediaries:*** Have an open-door policy, allow regular check-ins, and establish a rapport as a partner not as an overseer.

6.2 Recommendations for Intermediaries

The recommendations above focus on what donors can do to enable locally led approaches. Intermediaries, however, hold levers of their own, ones they can act on directly, alongside—or in some cases regardless of—donor actions and requirements.

While these recommendations are often framed around what *international* intermediaries can do, a key message that emerged in the research is that these recommendations often apply equally to local intermediaries, which are not—just by virtue of being local—immune to pressures to centralize decision-making power. Select recommendations that emerged from the research include:

- **Engage local actors before proposal development, not after.** Bringing local downstream partners into program discussions after proposals are set reduces their role to implementing someone else's design. Early engagement is likely to produce more contextually appropriate interventions and stronger partner ownership.
- **Pursue regular input from local actors and communities on programming and measures of success and document how this feedback drives adaptation.** Programs are more effective when they can adjust based on perspectives from those closest to the problem.⁶ Formalizing and documenting these processes — and how they shape decisions — reinforces their value.
- **Support direct lines between local organizations and donors.** Intermediaries are well placed to broker direct relationships but often underplay this role. Intermediaries can also ensure appropriate credit for work undertaken is given to relevant downstream partner(s) in donor reporting and communications materials.
- **Develop explicit risk-sharing frameworks.** As local downstream partners take on larger allocations and more direct implementation responsibility, their risk exposure increases. Intermediaries should co-create with local downstream partners explicit frameworks for sharing rather than shifting risk and ensure that increasing local partner responsibility is matched by increasing support and protection.⁷

6.2.1 Specific Recommendations for Local Intermediaries

- **Articulate and seek recognition for the intermediary functions they perform.** Perceptions of limited domestic capacity in many crisis-affected countries persist. However, as the mapping shows, many local NGOs are already working with ecosystems of local actors—providing grants, strengthening capacity, and supporting networks. Local organizations that are performing this work and delivering results should invest in

⁶ Moore, L. (2025). [When USAID Shut Down, Its Lessons Nearly Vanished. AI Helped Recover Them](#). Stanford Social Innovation Review.

⁷ ICRC, InterAction, and Ministry of Foreign Affairs of the Netherlands. (2023). [Risk sharing framework: Enhancing the impact of humanitarian action through improved risk sharing](#).

documenting and communicating their track record in forms that bilateral donors can access and assess.

- **Strengthen coordination platforms and peer learning.** Important and undervalued features of the local intermediary landscape in many countries are the coordination structures for sharing learning and mentoring. Using these platforms to amplify Syrian-led work and develop shared positions on funding and response priorities and partnership structures creates a powerful voice.