

COUNTRY REPORT

INTERMEDIARY MODELS FOR LOCALLY LED ACTION

YEMEN

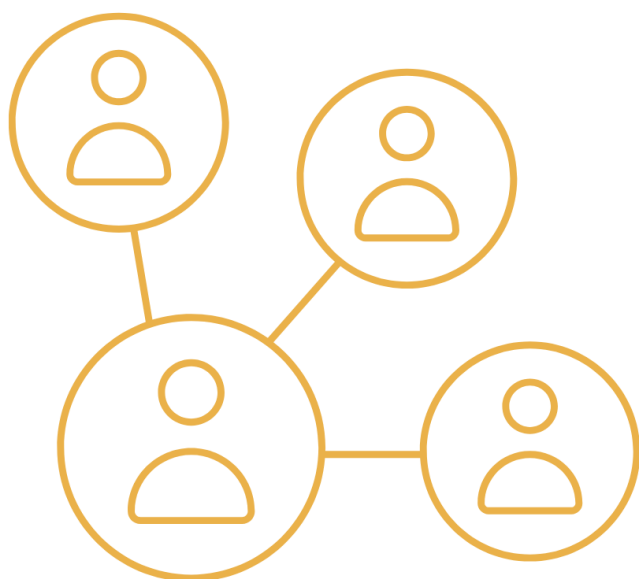


Table of Contents

Executive Summary.....	4
Context.....	5
Landscape	5
Key Issues	5
Comparative Advantages.....	6
Comparative Advantages of Local Actors	6
Comparative Advantages of International Actors.....	7
Barriers to Locally Led Action	8
Recommendations.....	9
For Donors	9
For International Intermediaries.....	10
For Local Intermediaries.....	10
1. Background.....	11
2. Methodology.....	13
2.1 Local Intermediaries	13
2.1.1 Characteristics, Focus and Functions	13
2.1.2 Sub-Granting and Regranting Activity	14
2.1.3 Policies and Practices for Locally Led Action	16
2.1.4 Capacity Sharing	16
2.2 International Intermediaries.....	17
2.2.1 Characteristics, Focus and Functions	17
2.2.2 Sub-Granting and Regranting Activity	17
2.2.3 Policies and Practices for Locally Led Action	18
2.2.4 Information Sharing and Feedback Loops.....	19
2.2.5 Subgrantee and Downstream Partners	20
3. Comparative Advantages and Separation of Functions	21
3.1 Local Intermediaries.....	21
3.1.1 Feedback from local organizations on their own comparative advantages	21
3.1.2 Feedback on local organizations' comparative advantages from International Actors.....	23
3.2 International Intermediaries.....	24
3.2.1 Feedback on international organizations' comparative advantages from local actors.....	24
3.2.2 Feedback from international organizations on their own comparative advantages	26
3.3 UN Agencies and Multilaterals.....	27
3.3.1 Feedback from Local Actors on UN agencies' comparative advantages	27
3.3.2 Feedback from International Actors on UN agencies' comparative advantages.....	28
4. Case Studies	29

4.1	Yemen Consortiums	29
4.2	Saferworld Partnership Hub Model.....	31
5.	Donor Behavior and Enabling Factors	33
5.1	What Enables Locally Led Action	33
5.1.1	Local Actors	33
5.1.2	International Actors	34
5.2	What Constrains Locally Led Action	34
5.2.1	Local Actors	34
5.2.2	International Actors	35
6.	Recommendations.....	37
6.1	For Donors.....	37
6.2	For International Intermediaries	39
6.3	For Local Intermediaries	40
	Annex 1: Methodology Overview	42
	Survey	42
	Key Informant Interviews (KIs).....	42
	Local Intermediaries	42
	International Intermediaries	43
	Sub-Grantee / Downstream Partner Interviews.....	44
	Separation of Functions (SoF) Workshops.....	44

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Any errors, omissions, or inaccuracies are the sole responsibility of the co-authors.

Executive Summary

Context

Yemen's civil war, now in its second decade, has displaced an estimated 4.5 million people and driven widespread food insecurity alongside collapsing water, healthcare, and sanitation services. The country's political fragmentation between areas controlled by the Internationally Recognized Government and the De Facto Authorities means humanitarian and development actors now operate across distinct administrative, banking, and regulatory environments rather than a single national system. Since late 2023, regional spillover from the war in Gaza and Red Sea tensions has added further pressure, including tighter operating restrictions and increased risk to national and international staff alike.

Against this backdrop, aid to Yemen grew by 92% between 2016–19 and 2020–23, reaching \$7.60 billion, with donor engagement deepening among existing, particularly Gulf, funders rather than expanding to new ones. This growth, combined with an increasingly complex operating environment, has sharpened the question of how funding and partnership models are structured, and specifically, how far power, funding, and decision-making can be shifted toward Yemeni organizations without compromising fiduciary, political, or operational risk management. This report examines that question through the lens of intermediary models: how funding currently flows from donors through international and local intermediaries to community-level actors, and what would need to change for that system to better serve locally led action.

Landscape

This landscape draws on seven “large” local intermediary organizations and four international intermediaries identified through desk review, network consultation, and referrals rather than exhaustive selection. This is not intended to be statistically representative of Yemen's intermediary landscape, and the small number of local and international organizations consulted means findings should be read as illustrative of rather than generalizable across the sector.

The report also uses “intermediary” as a working term of convenience, noting that several respondents pushed back on being defined this way, arguing it understates the breadth of their role and risks framing organizations primarily in relation to donors rather than on their own terms. While no better alternative has gained sector-wide traction, the term is retained here with that caveat in mind.

Key Issues

Capacity building emerged as both a genuine strength of both local and international actors but note that there are structural limitations. Respondents distinguished between project-specific training, which is often over-resourced relative to actual need and institutional strengthening, which is chronically under-resourced

and rarely funded as a standalone investment independent of delivery contracts. Interviews with downstream partners added an important layer of nuance. Partners judged relationships less by grant size or administrative efficiency than by whether they were genuinely listened to and treated as sources of knowledge rather than delivery channels. The timing of engagement mattered as much as its quality: local partners brought in from project inception described a genuine sense of ownership, while those engaged only after proposals were approved described their role as reduced to implementing someone else's design.

If donors were to select local intermediaries in Yemen using standard localization criteria (such written localization policies, documented partnership frameworks) only one of the seven local organizations in this study would qualify. Yet six of the seven are already delivering programming at scale and sub-granting to community organizations or other local actors. The presence of a formal localization strategy, in other words, is a poor proxy for whether an organization shifts funding and decision-making power to local actors in practice. Donors and INGOs screening for "localization readiness" using policy documentation risk filtering out precisely the organizations already doing the work, in favor of those that are simply better at documenting it.

Importantly, local actors in this research described accessing bilateral donors almost exclusively through INGO or UN interlocutors, which reinforces a system in which the INGO's own assessment of local capacity becomes the donor's primary source of evidence. This dynamic is sharpened by a declining funding environment, in which INGOs and local actors are increasingly competing for the same finite pool of funds.

Comparative Advantages

Comparative Advantages of Local Actors

Function	Comparative Advantage
Fundraising	Cost efficiency
Program design	Long-term presence and community trust
	Contextual knowledge and needs identification
Fund management	Strong and/or innovative systems
Programmatic delivery	Community acceptance and linkages with community structures
	Scale and multi-sector delivery experience (including Cash programming experience)
	Capacity-building to other local actors
	Rapid field data collection
Risk sharing and management	Operational flexibility, agility and responsiveness

Function	Comparative Advantage
	Risk appetite and risk assessment
	Political navigation and community embeddedness

Both local and international actors converge on contextual embeddedness as the defining strength of local actors. Local actors frame this as long-term presence from which community acceptance, existing relationships with community structures, and operational flexibility all flow. Local actors highlight the ability to transfer capacity to *other* local actors, positioning themselves as knowledge-holders, not just recipients of capacity-building. International actors focus more on operational delivery advantages of local actors, rather than broader eco-system development.

Comparative Advantages of International Actors

Function	Comparative Advantage
Fundraising	Donor access and established institutional donor relationships
	Global platform and presence
	Proposal development expertise and access to global technical expertise via HQ
Program design	Experience across multiple contexts and technical expertise
	Experience in evidence generation and research
Fund management	Experience accessing and managing large-scale funding, including compliance
	Financial and banking infrastructure
	International supply chain access
Programmatic delivery	Capacity building and technical backstopping (program mgmt, MEAL, institutional systems)
Risk sharing	Strong internal systems (compliance and risk)
	Absorbing and collectively managing risk with partners

Both groups agree that fund management and financial infrastructure are where international actors' advantage is most concrete, in part because of their ability to hold bank accounts outside Yemen is a significant protective advantage. Both groups also highlight that international actors' comparative advantages in fundraising, due to established relationships, improved access to donors and strong fundraising systems. However, local actors consistently attached a consistent qualifying frame: INGOs add value "when they act as a conduit," not as direct implementers competing for the same funding pool. They can play a valuable role in sourcing funding, providing technical coaching and mentorship, and creating space for local actors in donor-facing environments.

Barriers to Locally Led Action

Barrier	Description	Dimension of Locally Led Action
Operational and Organizational		
Compliance requirements	High compliance requirements that are disproportionate to local organizations' systems capacity. Compounded by limited access to funding that allows them to build the necessary systems.	Local actor capacity
Communication and Coordination		
Coordination capture	Engagement with local actors is disproportionately channeled through a small number of individuals and organizations already embedded in existing humanitarian coordination structures. The consequence is a narrowing, rather than a broadening, of who is understood to represent "the local perspective," and a missed opportunity to build a more diverse and resilient local actor landscape.	Funding local actors Local decision making
Donor Policy and Practice on Partner Selection		
Mandatory intermediation	The structural requirement for an international lead agency or intermediary, directly prevents local actors from accessing bilateral or institutional funding on their own terms, was the most consistently cited barrier across all seven KIIs.	Funding local actors
Trust deficit in local partners	Limited donor trust in local organizations. One respondent offered a structural analysis of this dynamic: the barrier is not necessarily local capacity; it is the absence of evidence, and the absence of evidence is partly the result of donors not having funded local actors directly at scale.	Funding local actors Local decision making
Elite capture	Similar to the point about coordination capture above, the ecosystem of local partners engaged by international actors is skewed toward larger, established organizations, and this is often incentivized by donor requirements to meet compliance or financial management systems.	Funding local actors
Presence without voice	Donor requirements for local partner inclusion can produce a check-box form of participation, in which the presence of a local partner is treated as sufficient evidence of localization. This risks conflating <i>being present</i> with <i>being heard</i> , allowing tokenistic partnerships to satisfy formal requirements while leaving the underlying power dynamic unchanged.	Local decision making
Donor Policy and Practice on Project Design and Management		
Short cycle funding	Fragmented, activity-tied funding with no investment in systems or institutional development. Local partners repeatedly requested integrated, multi-component projects rather than fragmented activities, and better	Funding local actors Local actor capacity

	coordination between capacity-building and organizational development funding streams.	
Bureaucratic burden-shifting	The bureaucratic approach of grant agreements sits in structural tension with the goal of equal partnership. Compliance requirements, contracting timelines, and donor-mandated procedures translate into burdens that fall disproportionately on local partners, and the cost and effort required to bring smaller organizations up to the systems level required is substantial.	Local decision making Local actor capacity
Under-investment in institutional strengthening	Capacity building and institutional strengthening are not adequately funded as standalone investments. Participants added that donors often focus on numbers of organizations supported rather than the depth of the work involved, and do not see or understand how genuine localization should be reflected in budgets and organizational structures.	Local actor capacity Funding local actors

Recommendations

A note on these recommendations:

Localization is not a property of actor type. It is a property of practice, at every level of the system. The measure of whether localization is being achieved is not whether a donor funds an INGO or a local actor. It is whether, at the end of that chain, the people most affected by the response are genuinely shaping it.

This means the question "are you working with local partners?" is the wrong question. **The right question is whether the partners you work with, at every level, are genuinely connected to and accountable to the communities they serve, and whether the way you work with them actively supports that accountability rather than undermining it.**

For Donors

- 1. Provide long-term, flexible, multi-year funding to local actors, and move beyond pilots.** Predictable, flexible funding allows local partners to develop robust, tested systems, and invest in delivery systems, rather than simply delivering activities.
- 2. Require meaningful local partner inclusion in award processes.** This should be defined by agency, not presence. A named partner without authority in decisions is inclusion in name only, ensure to include markers for local actor co-design and decision-making authority.
- 3. Use funding conditions to ensure local actors are adequately resourced within partnerships.** INGOs follow donor queues when it comes to localization actions and requiring a fair share of ICR pass-through when working with local actors signals the importance of ensuring a fair share of administrative costs, allowing local actors to build stronger institutional systems.
- 4. Create direct communication channels between donors and local organizations.** Reliance on INGO-mediated access to local actors' limits donors' independent view of local capacity and filters these interactions through the INGO experience.

- 5. Fund institutional strengthening as a standalone investment.** Systems and governance development needs dedicated, flexible funding. Institutional strengthening should be tied to organizational aspiration and capacities, rather than project outcomes.

For International Intermediaries

- 1. Actively create space for local actors in donor environments and resist the gatekeeping function.** INGOs are well placed to bridge donors and local actors but should actively seek to encourage these relationships to flourish independently, without acting as an interlocuter.
- 2. Working with a local partner is not the same as localization.** What matters is whether decision-making power has genuinely shifted, rather than percentages of funding. Governance arrangements and partnerships agreements should reflect this.
- 3. Engage local actors before proposal development, not after.** Late engagement reduces partners to implementers rather than equal partners in the delivery of activities and loses the contextual advantage inherent to most local actors.
- 4. Develop explicit risk-sharing frameworks with local partners.** Growing local responsibility must be matched by shared infrastructure to manage the risk that comes with it. Early engagement on risk planning ensures local actors' depth of contextual experience is adequately reflected and incorporated and reduces the risk of simply transferring risk.

For Local Intermediaries

- 5. Make your track record difficult to ignore.** Document and communicate delivery results in forms bilateral donors can access and assess.
- 6. Invest in peer learning and coordination and make that ecosystem visible.** The infrastructure for horizontal knowledge-sharing already exists and is being used by local actors to build the ecosystem of respondents in Yemen. Making this more visible to INGOs and donors can help to shift narratives about capacity building, and the importance of international actors in delivering this.

1. Background

Yemen's civil war began in 2015 as a result of clashes between Yemeni government forces and the Houthis - also known as Ansar Allah. Over the past ten years, conflict and economic decline have taken a heavy toll on civilians, forcing millions to flee their homes. An estimated 4.5 million people (approximately 14% of the population) are currently displaced, most of whom have been displaced multiple times over a number of years (UNHCR, 2025). Many IDPs live in flood-prone areas or dangerous locations, characterized by widespread food insecurity and lack of water, healthcare and sanitation services (UNHCR, 2025). The risk of a large-scale famine, violence, collapsing services and protracted displacement continues. Natural disasters and climate-induced events, such as drought and flooding, are also key drivers of displacement and have heightened existing needs. Women and children are bearing the brunt of the crisis. Of the 4.5 million internally displaced people in Yemen, around 80 percent are women and children (UNHCR, 2025).

The conflict has also changed the way aid operates in Yemen. Humanitarian and development actors are no longer working in one national system but across different political, administrative and economic environments. In areas controlled by the Internationally Recognized Government (IRG), organizations are largely working through government institutions based in Aden, while in areas controlled by the De Facto Authorities (DFA) (Ansar Allah/Houthis), they operate under a different set of authorities, administrative processes and operational requirements. Depending on where they work, organizations navigate different authorities, approval processes, banking arrangements and exchange-rate realities. These factors have made program delivery and partnerships more complex (World Bank, 2025; Fakirah, 2025; ACAPS, 2026).

Since late 2023, the operating environment has become even more difficult. The war in Gaza and the escalation in the Red Sea have added a new layer of geopolitical sensitivity to Yemen's already fragmented conflict environment. Houthi attacks on vessels in the Red Sea, and subsequent international military responses, have increased tensions between the de facto authorities and many international actors. This has coincided with raids on UN and NGO offices, the detention of UN and civil society staff, and tighter restrictions on humanitarian operations in areas under DFA control (United Nations Secretary-General, 2025; Amnesty International, 2025). These developments have made it harder for organizations to work across conflict lines and have added further pressure to an already constrained response.

These wider pressures have also affected national institutions. The Social Fund for Development (SFD), which continued to work across different parts of the country with support from the World Bank and other donors, has increasingly been affected by Yemen's political and institutional divisions. The killing of its Acting Executive Director, Wesam Qaid, in May 2026 was another reminder of the difficult environment in which development and humanitarian organizations are now operating (Al-Muslimi, 2026; UNESCO, 2026). Aid to Yemen increased by 92% between 2016–19 and 2020–23, from \$3.97 billion

to \$7.60 billion. The number of official donor agencies grew from 131 to 147 over the same period (World Bank, 2026).

However, noting that the bottom 135 donors, contributed a total of 10% of the total response in 2020 – 2023. The growth in funding has significantly outpaced growth in the number of donors, suggesting a deepening of existing donor engagement rather than the entry of many new actors. The top two donor agencies, IDA (World Bank) and SDRPY (Saudi Development and Reconstruction Program for Yemen), provided 40% of total aid in 2020–23 (World Bank, 2026). This changing funding landscape, combined with Yemen’s increasingly complex operating environment, makes the choice of funding and partnership models more important than ever. This is particularly relevant as donors seek to increase support to Yemeni organizations while continuing to manage fiduciary, political and operational risks.

Box 1 – A note on the terminology of “intermediary”

A note on terminology

This report uses the term "intermediary" to describe organizations that regrant or channel donor funding to other actors, but, as a term, it has some limitations. "Intermediary" is often used in localization discourse, but it risks defining an organization in relation to a donor rather than in its own right and implying a homogenous category of organizations whose primary function is to act as a "go-between," connecting donors to other actors. As this research affirms, most intermediary organizations also engage in programmatic work, capacity sharing, advocacy, evidence generation, and community empowerment, depending on the type of organization.

The “intermediary” framing was directly challenged in several of our own consultations, where representatives of organizations that perform intermediary functions pushed back on being defined as “an intermediary,” arguing it understates the breadth and significance of their role. The tension is not unique to Yemen: in 2022 the sector-wide Grand Bargain Caucus on the Role of Intermediaries was established specifically to address ongoing challenges within the relationships between donors, intermediaries, and local and national organizations.

We were unable to identify an alternative term that has gained meaningful traction across the sector and so retain "intermediary" in this report for clarity and consistency, while encouraging readers to bear these limitations in mind.

2. Methodology

This research on intermediary models for locally led action in Yemen employed a mixed-methods approach combining desk-based landscaping, a structured survey, and key informant interviews (KIIs) and a workshop. Intermediary identification began with a desk review and consultations to compile an initial list of candidate organizations, supplemented by a Kobo-based survey used to assess organizations against the study's shortlisting criteria. Since the goal was to focus on Yemeni organizations that already do or potentially could receive direct bilateral donor funding, the research targeted organizations that both offer intermediary functions and are “high capacity,” in that they have the ability to absorb grants of \$2 million or more, and/or an annual operating budget above \$5 million.

Between February and May 2026, the team conducted KIIs with seven national NGOs operating in Yemen, four international intermediary organizations, and held additional conversations with key donor and fund manager stakeholders, such as the Yemen Donor Cash Forum. To help triangulate findings, the team also interviewed three sub-grantees of the largest local intermediary organizations (both national and international), providing a downstream perspective on partnership and funding practices. Interviews were conducted remotely.

See further details of the selected methodology in *Annex 1: Methodology Overview*.

2.1 Local Intermediaries

2.1.1 Characteristics, Focus and Functions

The seven local organizations captured in these consultations vary considerably in age and scale. Entity age ranges from 7 to 50 years, with most having operated in Yemen for over a decade. Staffing levels are similarly varied, spanning smaller operations of 21-30 employees, up to over 100, with the majority of organizations reporting headcounts in above of 100 staff. Annual operating budgets range from the USD 500,000-2 million bracket up to the USD 11-20 million bracket, while reported absorption capacity ranges more widely still, from USD 500,000-2 million to USD 41-50 million.

Funding sources are mixed across the group: most organizations describe drawing on a combination of funding types, while a smaller number report relying primarily on international sources. Only two of the respondents noted that they currently (or previously) had been able to access direct bilateral funding.

In terms of functions beyond core programming, most organizations reported engaging in advocacy and campaigning, resource mobilization and fundraising, and capacity strengthening or sharing, with a smaller number also citing fiscal sponsorship as a function. Capacity strengthening was a common thread among respondents, with most organizations providing this “all the time” or “sometimes.” In terms of the types of support offered, responses included fundraising, grant management, risk management and compliance, technical skills, advocacy, monitoring and evaluation, and consultation support to partners. Geographically, most organizations operate at a national level.

Table 1 – Overview of Local Actors

Organisation	Year est.	Primary sectors	Geographic coverage	Sub-granting function	Funder types
BCHR	2015	Livelihoods, food security, WASH, education, protection, CCCM	Hadramout, Seiyun, Al Mahra, Aden, Marib, Hajjah	Limited (~2–3/yr; ~USD 5k per group)	Gulf donors, UN/multilateral, INGOs, EU
BFD	2014	Nutrition, health, protection, education, CBI, peacebuilding, FSL, WASH	National coverage (North and South)	Yes (~6 partners over 2 yrs; USD 15k–300k)	UN/multilateral, INGOs (no direct bilateral)
FMF	2012	Health & nutrition, food security, protection, WASH, livelihoods	Southern & government-controlled areas	Limited sub-granting (three local organizations over four years; approximately USD 5,000–25,000 per grant, plus occasional ad hoc support).	UN/multilateral, INGOs
Selah Foundation	2013	Health, education, FSL, WASH, shelter, protection, emergency response	~12 governorates (south & east Yemen)	Yes (75+ partners in 2025; 30–40% via local actors)	Gulf donors, EU/bilateral
Yamaan Foundation	2010	Health (maternal & child, reproductive, chronic disease, mental health)	National coverage (North and South)	Yes (specialist health org partnerships)	Western bilateral, development banks, INGOs
Yanabee' Al-Khair	2008	Education, health, water & infrastructure, food security, economic empowerment	Aden, Lahj, Taiz, Abyan, Hadramout, Sana'a, Socotra	Yes (~20–30/yr; USD 5k–300k; 152-org database)	Gulf donors, UN agencies, bilateral donors, and INGOs
YFCA	1976*	Reproductive & family health, primary health, food security, WASH, emergency response	Aden, Sana'a, Taiz, Hadramout, Hodeidah	Yes (~2/yr; USD 6–83k)	Bilateral (historical); UN agencies; Gulf donors; private institutions; internally generated resources.

2.1.2 Sub-Granting and Regranting Activity

The scale and volume of downstream funding vary enormously across the group, from a handful of partnerships per year with community groups, to one organization working with more than 75 local partners in 2025 and delivering approximately 35% of programming through them. Grant sizes similarly range widely, from USD 5,000–15,000 for most downstream grants, to over USD 1 million in one case.

Most organizations consult partners and communities before or during design of a project, with several noting cases where project ideas originated with the local organization itself. Some go further, one describes partners independently designing interventions and selecting beneficiaries, while another operates a graduated model where community groups take on operational responsibility incrementally following capacity support. However, for others, partners are engaged primarily at the needs assessment stage, with scope and budget set upstream. The primary reason cited for this type of relationship was time or funding constraints. The nature and scale of partner involvement may also depend on the results of organizational due diligence and capacity assessments. National NGOs acting as intermediaries may deliberately stagger the transfer of funding, responsibilities, or risks to smaller partners, where those partners do not yet have the systems or capacity to manage them safely. This should not automatically be interpreted as reluctance to share power but may reflect a responsibility to avoid exposing downstream

partners to financial, compliance, safeguarding, or operational risks they are not yet equipped to manage. These findings point to a structural constraint: where funding windows are short and scope is set upstream, meaningful partner participation in design becomes difficult to sustain regardless of organizational intent. This is a particular caution for localization narratives that assume local intermediaries are inherently more equitable in how they work with partners. The data suggests the quality of the relationship is shaped at least as much by funding architecture as by the type of actor.

The data reveals two quite distinct funding ecosystems operating in parallel, with very little overlap, between Western and Gulf donors in Yemen. This limitation of coordination was also confirmed in other KIIs with international actors and coordination bodies. Local organizations primarily connected to Western bilateral and multilateral donors operate within one set of compliance norms, reporting requirements, and partnership structures, which we know and understand. Organizations whose primary relationships are with Gulf donors operate in a fundamentally different environment: relationship-driven, less compliance-heavy, and at significant scale. These two ecosystems rarely intersect at the funder level, although some of the interviewed organizations are funded by both. This is arguably one of the most important structural features of the Yemen local actor landscape, especially given the scale of Gulf funding in the region.

Box 2 – Overview of Gulf funding in Yemen

Gulf Funding in Yemen

Gulf states (principally Saudi Arabia and the UAE) are among the largest donors to Yemen by volume, yet they operate largely outside the multilateral and pooled-fund architecture that structures Western humanitarian financing. Understanding their role is important context for this report, as their funding choices shape the operating environment for, primarily, local intermediaries.

Scale of funding. Between 2016 and 2022, Saudi Arabia provided an estimated USD 6.9 billion and the UAE approximately USD 5.4 billion in bilateral aid to Yemen, collectively accounting for the substantial majority of Gulf contributions to the response (Elayah & Al-Awami 2024). In January 2026, following shifts in the political and security situation in southern Yemen, Saudi Arabia announced a further USD 500 million development package spanning ten provinces, including hospital and school construction, roadbuilding, and fuel donations (Reuters, 15 January 2026). The World Bank's Yemen Aid Efficiency at a Glance (2026) notes that total aid volumes to Yemen nearly doubled between 2016–19 and 2020–23, rising from USD 3.97 billion to USD 7.6 billion, with Gulf bilateral flows representing a significant share.

How Gulf funding differs from Western funding. Gulf donors overwhelmingly favor direct bilateral channels: in 2020, over 85% of Gulf official development assistance to Yemen was delivered bilaterally (Elayah & Al-Awami 2024). Contributions to multilateral organizations and pooled funds are minimal. The YDCF KII conducted for this research noted that Gulf and Western donors do not coordinate, that Gulf donors are protective of their operational space. KIIs with international actors suggested that even informal engagement at ambassadorial level has been difficult to establish. The CDA Rollout report (CALP Network/Yemen DCF, February 2026) specifically recommended developing an outreach strategy for Gulf donors in collaboration with local actors, acknowledging that this remains an underdeveloped area.

2.1.3 Policies and Practices for Locally Led Action

Across almost all seven local organizations, locally led approaches, including community consultation, partner engagement in design, and graduated responsibility transfer are common practice, though rarely codified in policy. Furthermore, dedicated resources to institutionalize those approaches and the systems that enable them are largely absent or nascent. Generally, partnership management is informal, relationship-based, in response to project requirements. Only one partner currently has substantial written policies governing partnerships and formal project approval requirements with local partners; another is developing this type of policy.

The policy vs. practice dynamic reflects two issues. Firstly, it reflects resource constraints and a funding environment that has not historically rewarded investment in localization systems and policies. Several interviewees made the point, directly or implicitly, that a bilateral donor cannot simultaneously commit to locally led action and continue to design funding instruments that make locally led action structurally difficult.

Secondly, it clearly demonstrates that the presence of a localization strategy, or not, is unlikely to denote whether or not that local actor really does provide funding and shift decision making power to local actors. If a donor applies standard intermediary criteria, such as written policies and established partnership approaches, only one or two of these seven organizations would qualify. Yet almost all (6 out of 7) of them are delivering programming at scale, sub-granting to community organizations or other local actors, to differing degrees.

2.1.4 Capacity Sharing

Capacity sharing between local actors, and INGOs and donors has shifted significantly over the course of the response in Yemen. Participants described a pattern of capacity and learning exchange that has evolved over the course of the response. In the early days, donor requirements and the speed of the response encouraged a focus on getting national organizations to adopt compliance-related policies and practices from international partners. As Yemen Family Care Association explained in the local actors' SOF workshop, in earlier phases of the response, many national NGOs learned from INGO systems, tools, policies and checklists. This was useful, especially when some Yemeni organizations were scaling up quickly during the conflict. However, over time, these national NGOs developed their own policies and systems that were more adapted to the Yemeni context and strong enough for international partners to recognize and use.

Several local intermediaries also explained that what helped them grow was not isolated training, but managing real programs, solving problems with international partners and gradually taking on greater responsibility. In other words, capacity was built through experience. The Yemen Family Care Association also described a shift from project-specific capacity building to more flexible capacity strengthening, with support for practical institutional needs that were identified by national NGOs themselves. Examples

included project management software, risk management tools, HR systems and flexible support for organization-specific priorities.

Many of the Yemeni intermediaries interviewed are also supporting other local organizations. Three local respondents described coaching, mentoring, joint planning and ongoing technical support to downstream partners. Downstream partners valued this kind of practical accompaniment because it helped them deal with real implementation challenges. The workshop also showed that learning is now moving in both directions. One respondent noted that an environment of capacity sharing is starting to emerge, with national NGOs now sharing learning with other national organizations and, in some cases, with international NGOs, including on risk management, risk sharing and cash programming.

2.2 International Intermediaries

2.2.1 Characteristics, Focus and Functions

Four international organizations were consulted, alongside a donor coordination forum active in the Yemen cash space. In comparison to the local organizations, these organizations have been operational in Yemen for significantly less time. Time in-country ranges from registration as recently as 2023 to over five years of operations.

Cash-based programming features prominently across the group of international intermediaries. One consortium is focused primarily on Multi-Purpose Cash Assistance and is in the process of transitioning towards Cash+ approaches; another integrates cash as a core modality across a broader food security and livelihoods portfolio. Consortium structures are a feature of the group: two of the international organizations operate as lead agencies within established consortia involving multiple international partners, and one has recently onboarded a local organization as a consortium member for the first time.

Engagement with local partners varies in depth and stage. At one end of the spectrum, one organization is still in an early phase of local partnership development. They currently work with two local partners and have identified eleven further organizations for future partnerships, depending on funding availability. At the other end, one organization treats local partnership as a foundational organizational value, embedded from the outset of their operations in Yemen. A third model, comprising the remaining two partners, sits closer to the middle of the spectrum. Both work through consortia, and both consortia include local partners (either as lead partners, or as implementing partners with the intention to graduate to a lead).

2.2.2 Sub-Granting and Regranting Activity

Partnership models among the international organizations consulted vary considerably in structure, depth, and underlying philosophy, ranging from contractual sub-granting arrangements to long-term strategic relationships built outside of any single project cycle.

At the more transactional end, local organizations are contracted individually as downstream partners, with due diligence conducted to meet the requirements of the lead INGO and passed down by the donor. Implementing arrangements within this model are not uniform: in some cases, the international and local partner deliver jointly in the same location; in others, only the local partner responds; and in others still, a handover approach is used whereby the international organization gradually cedes programming responsibility.

More structurally innovative approaches were also described. One organization has formalized a Localization Working Group within its consortium, led by the local lead actor, with local partners involved in all working groups and providing programming steer. Another organization operates through a strategic partnership model based on shared values and joint strategy development, with partnership agreements existing outside of and prior to any project, and with local partners involved in setting annual priorities.

Across the group, tension was noted between genuine local partnership and more performative engagement. One respondent drew a distinction between localization driven by organizational conviction and those driven by donor pressure or the desire to leverage additional funding. The practical consequence of this distinction is visible in how partnerships are structured. Where localization is instrumentally motivated (i.e. where localization focusses on the necessity to include local partners in the project delivery, without specifying agency transfer), local organizations tend to be brought in at a later stage and selected to fulfil a requirement rather than to shape a response. By contrast, where it is values-driven, the findings suggest a meaningfully different model which includes agency transfer, including actions such as joint proposal development, shared needs assessment design, co-developed tools and approaches, and an explicit goal of progressively transferring both funding and decision-making authority to local actors over time.

Several international KIIs (including the coordination forum), observed that in many cases localization momentum is personality-led rather than structurally embedded. Several respondents described localization advances that were tied to specific staff members who brought prior experience of equitable partnership from other contexts, advocated internally for policy changes, or took the initiative to build direct relationships with local organizations beyond what their institutional frameworks required.

2.2.3 Policies and Practices for Locally Led Action

International organizations consulted described a wide range of approaches to localization, from institutional policy frameworks to relational models built on shared risk and long-term trust. At the institutional level, one organization has embedded localization within its operational model through a dedicated HQ-level localization department, an indirect cost recovery policy for local partners, and an annual HQ-led localization reporting process, that tracks the proportion of budget flowing to partners. These mechanisms were described as serving an accountability function, helping to keep the organization honest about the pace of its own shift. Joint proposal development with local partners was highlighted as a core practice, alongside transparency about funding availability.

One organization, who leads a large consortium, described an active localization technical working group, led by local partners and meeting monthly, with findings fed back into the broader consortium and translated into a live action plan. Local partners are involved in all learning and sharing forums, and programmatic innovations developed through consortium participation have been taken forward by local organizations into their work with other funders. Risk management policy was cited as a gap that was better addressed through participation by local actors in consortium working groups than by top-down capacity building.

Not all accounts were equally optimistic. One respondent noted the absence of a consortium-level localization policy and reflected candidly on the gap between how international organizations perceive their own partnership practices and how local partners experience them. The respondent described a pattern of international organizations "behaving like donors" in their relationships with local partners, and identified internal cultural change, characterized as "deprogramming" as a prerequisite for more equitable practice.

The contraction of available funding sharpens a longer-standing tension for international actors: whether to orient their role primarily around securing and channeling resources to local partners, or to compete for those resources directly.

2.2.4 Information Sharing and Feedback Loops

Communication between international organizations and their local partners draws on a mix of formal and informal channels, with several respondents emphasizing that the most effective information-sharing practices are those embedded in the ongoing rhythm of the relationship rather than confined to formal reporting requirements.

Regular contact is maintained through a combination of online calls, WhatsApp groups, in-person visits, and focal point arrangements, whereby both the international organization and the local partner designate named points of contact across departments. One organization described a shift away from a centralized partnership manager model (a position that no longer exists due to funding constraints) towards a distributed model in which all departments are expected to engage directly with their counterparts in local partner organizations. While more informal in structure, this approach was described as maintaining close and continuous contact, with in-person visits complementing remote communication.

Cross-partner learning within consortia was also highlighted as a channel through which information and experience are shared laterally, not only vertically between international and local organizations. In one case, a partner that was less advanced in administrative and procurement processes requested regular peer meetings with a stronger partner, leading to a structured experience-sharing arrangement that proved more effective than top-down technical support. This horizontal dynamic was presented as an underutilized resource within consortium structures.

One notable practice involved creating structured opportunities for local partners to present their work directly to HQ staff, including advisors who had not visited Yemen. This served both an informational and an advocacy function: showcasing the skills and depth of local organizations to decision-makers who might otherwise rely on secondhand accounts, and building the institutional confidence needed to secure project approvals. This approach was described as part of a deliberate strategy to strengthen relationships between local partners and the international organization's global architecture, with plans to institutionalize it on a regular basis.

2.2.5 Subgrantee and Downstream Partners

One strength of this research is that it did not rely only on interviews with intermediary organizations. It also included organizations that had worked with them. These downstream interviews are important because they show how partnership models are experienced in practice. Almost every intermediary described itself as collaborative and supportive. The downstream interviews broadly confirmed these claims but also provided important nuance about what makes partnerships effective in practice.

Across subgrantee interviews, a consistent picture emerged: downstream partners did not primarily evaluate their relationships with intermediaries by grant size or administrative efficiency, but by the holistic quality of partnership. Partnerships are assessed on whether they were listened to, whether their contextual expertise was genuinely sought, whether they understood how decisions were made, and whether challenges during implementation were resolved collaboratively rather than managed from above. Partners reported feeling most trusted when intermediaries treated them as sources of knowledge rather than as delivery channels.

The timing of engagement within the project cycle emerged as a particularly important variable. Where local organizations were involved from the outset, they described developing a sense of ownership over the work. Where they were brought in only after proposals had been approved, their role was effectively reduced to implementation of someone else's design. One respondent was explicit that early engagement leads to more contextually appropriate and sustainable interventions and should become standard practice across the sector.

Several downstream partners also noted that the most valued partnerships were those characterized by continuous dialogue and a willingness to adapt during implementation. The practical value of intermediaries in helping local organizations navigate banking restrictions, sanctions-related challenges, and donor compliance requirements was also acknowledged. Long-term institutional strengthening, focused on bespoke organizational needs around governance, systems and sustainability, was consistently valued over one-off training activities.

3. Comparative Advantages and Separation of Functions

Box 3 - A note on comparative advantages methodology

The tables in the Comparative Advantages section have been coded from free-text responses to “what areas of your work do you see yourself as having comparative advantages?” across local actor KIIs. The same methodology was applied for the international actors (with 4 respondents, the donor forum was eliminated from the count as they hold an advisory role. Their feedback has been incorporated into the text accompanying the table). Figures represent the number of respondents who spontaneously raised a theme, not a survey percentage; respondents were not prompted from a fixed list, so low values or absence of a theme for a given respondent does not indicate disagreement; it merely indicates that this theme was not top of mind for respondents when asked broadly about comparative advantages.

A ✓ in the Workshop Validated column indicates the theme was reaffirmed by participants in a subsequent workshop. This is corroborating evidence rather than an additional count: the workshop synthesis does not provide a per-participant breakdown, so workshop validation is not added to the KII count.

3.1 Local Intermediaries

3.1.1 Feedback from local organizations on their own comparative advantages

Table 3 – local partner perspectives on local actor comparative advantages¹

Function	Comparative Advantage	Count (of 7)	Workshop Validated
Fundraising	Diversified funding base (<i>due to access to Gulf donors</i>)	1	
	Cost efficiency	2	✓
Program design	Long-term presence	6	✓
Fund management	Strong / innovative systems	2	-
Programmatic delivery	Community acceptance / linkages with community structures	4	✓
	Scale and multi-sector delivery experience	3	✓
	Transfer / capacity-building to other local actors	4	✓
	Field data collection	—	✓
Risk sharing and management	Operational flexibility	2	✓
	Risk appetite and risk assessment	—	✓

¹ Figures show the number of respondents who spontaneously raised each theme, not percentages; absence does not indicate disagreement. ✓ denotes workshop corroboration, not an additional count. See Box 3 for full methodology note.

The comparative advantages identified by local actors cluster into two broad patterns: advantages rooted in embeddedness, and advantages rooted in operational practice. Together, they suggest that local intermediaries' strengths are not primarily technical in the conventional sense but derive from a form of contextual capital accumulated over time and expressed across multiple functions.

Long term presence was the most consistently cited advantage. This is less a standalone attribute than a foundation from which other advantages flow. It underpins the community acceptance and linkages with community structures, which in several cases extend to relationships with formal community bodies such as agricultural and water user associations that predate the organizations themselves. It also informs the operational flexibility and risk appetite noted across the group, with the workshop reinforcing that local actors' ability to pivot programming quickly is directly tied to their contextual familiarity and established relationships with local authorities and communities.

Operational practices emerged as another key area of comparative advantage for local actors. Respondents cited experience transferring knowledge and building the capacity of other local actors. This is an important function that highlights the importance of defining “intermediaries” not only by their ability to transfer funds to other local actors.

Scale and multi-sector delivery experience was raised, often linked to long operational histories and geographic reach that extends into hard-to-reach areas or governorates underserved by the wider humanitarian system. This also speaks to the scale that some organizations have been able to achieve as a result of Gulf funding.

Cost efficiency was cited by respondents and workshop-validated; several organizations pointed to overhead rates considerably lower than those typical of international actors. However, this point is somewhat mitigated by the challenge flagged by many local organizations that overhead costs are insufficient to meet their needs. So, while they may well have lower cost structures overall, this is a double-edged sword.

Box 4 – Impact note on cost-efficiency

While there is some evidence that demonstrates local partners can be more cost efficient than international partners because of lower staff and overhead costs, both local and international intermediaries noted that it is vital to avoid framing local actors purely as a more cost-efficient delivery mechanism. Instead, local leadership of local and national response should - morally and ethically - be led by those whose lives are affected by it, in the spirit of “noting about us without us.”

Reducing the rationale for local actors' leadership role to lower-cost structures can be a damaging narrative, as it both embeds structural inequalities (whereby local actors are expected to deliver results at a reduced costs) and fails to capture the multitude of additional benefits to the system that could be achieved by working in a more localized way.

One advantage stands somewhat apart from this pattern. A diversified funding base—specifically, access to Gulf donors— was cited by only one respondent as a core advantage, suggesting that this characteristic is not uniformly distributed across the group. Where it does apply, however, it represents a meaningful structural asset, reducing dependency on any single funding stream and providing a degree of resilience in the face of shifts in bilateral donor funding.

3.1.2 Feedback on local organizations' comparative advantages from International Actors

Table 4 – international partner perspectives on local actor comparative advantages²

Subfunction	Comparative Advantage	Count (of 4)	Workshop Validated
Fundraising	Cost efficiency	2	✓
Program design	Contextual knowledge, community trust and needs identification	4	✓
	Program planning and design	2	✓
Programmatic delivery	Advocacy and community representation	1	✓
	Cash programming experience	2	
Risk sharing and management	Operational agility and responsiveness	2	✓
	Political navigation and community embeddedness	2	

International actors' assessments of local NGO comparative advantages converge around a core claim: that local organizations possess a number of strengths which are comparable to or exceed those of international actors, especially in terms of operationalizing community objectives, and ensuring flexibility to changing operating environments.

Contextual knowledge and community trust were the most commonly cited advantage of local organizations. This is understood by INGOs as an operational asset: the basis on which programming is designed, relationships with authorities are navigated, and communities are engaged. One respondent framed their entire partnership model around deferring to this knowledge, describing localization as beginning with the acceptance of different ideas rather than simply determining who should have a seat at the table.

Leadership in field-level planning and design was identified as a logical extension of this contextual advantage, with one respondent arguing that local organizations should lead all field-level planning and

² Figures show the number of respondents who spontaneously raised each theme, not percentages; absence does not indicate disagreement. ✓ denotes workshop corroboration, not an additional count. See Box 3 for full methodology note.

activities, as a matter of principle, working with international partners on coordination at the regional level rather than the reverse. The workshop reinforced this view.

Staff quality and technical capacity. An international respondent noted the high caliber of staff within Yemeni local organizations, attributing this in part to the broader economic context. The contraction of other industries over the course of the conflict has drawn significant professional talent into the NGO sector.

Established track record in cash programming, with Gulf-funded local organizations described as having delivered large-scale cash programs successfully and over a sustained period. This is largely unseen by Western donors, given the absence of coordination between Gulf and bilateral funding streams. This observation points to a gap between local capacity as it exists and local capacity as it is perceived by international donors, and to a certain extent, INGOs.

3.2 International Intermediaries

3.2.1 Feedback on international organizations' comparative advantages from local actors

Table 5 – local partner perspectives on international actor comparative advantages³

Subfunction	Comparative Advantage	Count (of 7)	Workshop Validated
Fundraising	Donor access	3	✓
	Global platform / presence (incl. communication and profiling)	3	✓
Program design	Experience across multiple contexts and technical expertise	1	✓
	Evidence generation and research	1	
Fund management	Accessing and managing large-scale funding	6	✓
	Financial and banking infrastructure	—	✓
Risk sharing	Strong internal systems (compliance and risk)	3	✓
Programmatic delivery	Capacity building and technical support to local actors	—	✓

Local actor assessments of international intermediary comparative advantages are notably concentrated in the fund management domain, with a key strength being accessing and managing large-scale funding. This

³ Figures show the number of respondents who spontaneously raised each theme, not percentages; absence does not indicate disagreement. ✓ denotes workshop corroboration, not an additional count. See Box 3 for full methodology note.

assessment reflects a broadly shared recognition that international and Western organizations' financial architecture represents a structural capability that most local organizations do not yet replicate. The workshop reinforced this, identifying financial and banking infrastructure as a distinct advantage in its own right, separate from systems competence: the ability to hold funds outside the country was described as a mechanism for mitigating banking and financial risk across the wider response, including how funds are brought into Yemen and managed under conditions of financial system fragility.

Donor access and global platform or presence. These were understood as interconnected rather than separate advantages: the ability to access bilateral donors is amplified by, and in some cases dependent on, an organization's international profile, communication capacity, and positioning within global networks. One respondent drew a specific distinction between communication and profiling, evidence generation and research, and bilateral access as distinct but related components of this global positioning.

Strong internal compliance and risk management systems. Participants noted that international organizations hold direct communication channels with donors on compliance that local actors do not yet have equivalent access to. This systemic advantage was seen as enabling international organizations to manage complex, multi-partner funding arrangements in ways that remain difficult for local organizations to replicate at scale.

Convening power was identified as a related and underutilized asset: participants noted that international intermediaries are well placed to initiate risk-sharing discussions precisely because of their position between donors, UN agencies and local partners. This position also presents an opportunity for international actors to increasingly create space for local organizations in these global or regional coordination spaces.

Across respondents, a consistent qualifying frame was applied to these advantages. Participants in the local actors' workshop were clear that INGOs add most value when they act as a conduit. They have a value-add in securing funding, providing technical expertise, and supporting compliance infrastructure that local organizations cannot yet access independently, rather than as direct implementers competing for the same shrinking pool.

The same participants noted that the trend of reduced direct funding to INGOs, rather than being simply a threat, creates an opportunity and a responsibility for INGOs to step back from delivery in areas where local organizations are well placed to lead. What this implies, though rarely stated explicitly, is that international actors face a choice about what their purpose is: whether to prioritize institutional survival by maximizing the funding they retain, or to orient their model around achieving the best possible response for affected populations, which may mean actively planning to do less, and transferring more to local actors. Findings from the KIs suggest that where international actors have genuinely embraced the latter orientation, the quality and depth of local partnership is meaningfully different.

3.2.2 Feedback from international organizations on their own comparative advantages

Table 6 – international partner perspectives on international actor comparative advantages⁴

Subfunction	Comparative advantage	Count	Workshop
Fundraising and donor access	Established relationships with institutional donors and expertise in developing success proposals	4	✓
	Access to global technical expertise and communities of practice via large HQ offices	3	✓
Fund management	Better placed to manage larger, grants and absorb financial system risk	4	✓
	Capacity to navigate complex donor compliance environments	2	✓
	International supply chain access (e.g. procurement and delivery of goods unavailable through domestic channels)	1	—
Programmatic delivery	Technical backstopping: providing program management, MEAL, and institutional systems support to local partners	3	✓
Risk sharing and management	Absorbing and collectively managing risk with partners,	2	✓
	Providing flexible, responsive funding mechanisms accessible to smaller or less established local organizations	1	—

Risk and financial management, technical knowledge, and fundraising access were the most cited comparative advantages of INGOs, by INGOs. These findings broadly align with local actors' perceptions of international comparative advantages, though there are notable differences in framing and emphasis between the two groups.

There is a tension running through financial management responses. Most respondents identified managing large grants and absorbing financial system risk as a genuine INGO advantage. They also noted that access to bank accounts outside of Yemen presented a protective advantage, with some local actors having their accounts frozen within Yemen. However, some workshop participants noted that the issue of financial “capacity” in terms of meeting donor reporting requirements was a skill that could (and should) be mentored more actively with local organizations, as it is not an inherent structural advantage for international organizations. However, part of this same issue is also structural, in terms of having access to banking operations outside of Yemen, which cannot easily be solved through capacity sharing or additional overhead cost devolution. Access to international financial networks remains an area where INGOs hold a real advantage, raising an interesting point in terms of the value-add delivered by INGOs: Is this an area where international partners could facilitate local actors to open international bank accounts in order to mitigate financial risks?

⁴ Figures show the number of respondents who spontaneously raised each theme; absence does not indicate disagreement. ✓ denotes workshop corroboration, not an additional count. See Box 3 for full methodology note.

On fundraising and donor access, respondents described a structural dynamic in which established INGO relationships with institutional donors remain a prerequisite for local partners to access major funding streams. The workshop participants noted that international actors are well positioned to create shared space with local partners in donor environments, for example, by organizing joint donor visits and facilitating direct lines of communication between donors and local organizations. However, they also cautioned that INGOs can equally function as gatekeepers, and that the bridging function is only realized when it is actively and intentionally pursued, and enabled or mandated by donors.

Technical backstopping was cited by respondents as an area of genuine INGO comparative advantage, grounded in the scale of international HQ resources, the breadth of global expertise, and the communities of practice to which INGO staff have access. One respondent noted that exposure to colleagues across the world through working within an international organization builds forms of knowledge and connection that local organizations lack a form of institutional depth and global connectivity that reflects the scale and structure of INGOs rather than a gap in local organizations' capacity. This was, however, one of the areas where the workshop introduced the most substantive qualification: participants argued that the delivery of capacity sharing needs to be fundamentally reconceptualized if it is to serve localization objectives, and to distribute the benefits of this global knowledge to the local level. Rather than being structured as a line item within a project, institutional strengthening should be treated as a strategic investment, grounded in a holistic assessment of an organization's existing capacities, gaps and organizational priorities. The implication is that while the technical advantage may be real, it is frequently deployed in ways that do not build durable local capacity.

3.3 UN Agencies and Multilaterals

3.3.1 Feedback from Local Actors on UN agencies' comparative advantages

Local actor respondents approached the question of UN comparative advantages from their position as downstream partners and co-implementers, and the picture they offer is more granular and more critical on operational performance, while affirming the structural advantages.

On structure and positioning, local respondents consistently identified UN agencies' global reach and ability to represent issues in global policy spaces as a clear advantage. Alongside this, UN agencies were identified as a primary funding channel in Yemen, including through pooled mechanisms, and local workshop participants noted growing investment in pooled funds. One respondent specifically cited UN agencies' strengths in communication and profiling, evidence generation and research, and global positioning and bilateral access. The latter of these represents a form of political and diplomatic leverage that is structurally unavailable to local actors.

On operational performance, the assessment was considerably more critical. Local respondents drew a clear distinction between UN agencies' comparative advantage in funding-related decision-making and

their performance on financial management and efficiency, noting that the latter is not necessarily a strength. One respondent described their own organization's financial flows as faster than those of UN agencies, where reimbursements can be delayed by months. Workshop participants reinforced this, noting that UN agencies' bureaucratic processes slow the transfer of funds, and that the quality of last-mile delivery most often rests with national NGOs, because UN agencies tend to remain within familiar, lower-risk operational roles rather than engaging directly with delivery-level risk.

On accountability and risk-sharing, local workshop participants raised concerns that accountability at the UN level runs primarily upward, with limited mechanisms for downward accountability to local actors and communities. The implication is that UN agencies' political and diplomatic roles in risk management can generate risk for local actors when those decisions are made without their input. This is most clearly visible regarding issues such as determining what is operationally feasible, negotiating access, or managing relationships with authorities in ways that have direct consequences for the organizations delivering on the ground

3.3.2 Feedback from International Actors on UN agencies' comparative advantages

It is worth noting at the outset that 'the UN' encompasses a heterogeneous group of agencies with distinct mandates, funding models, and relationships to local actors and generalizations about UN comparative advantages or limitations should be read accordingly. The workshop format did not allow sufficient time to unpack the differences between UN entities in depth, or to compare their respective advantages in a systematic way.

With that caveat in mind, the international actor workshop introduced a more positive register on some key functions. It noted that there is positive momentum in Yemen around local actors' participation in coordination spaces. International actors noted that local actor representatives are invited and present in most coordination spaces convened by the UN. The Yemen Humanitarian Fund, managed by UN OCHA, was highlighted for delivering over 50% of its funding in 2025 through local partners, with this percentage increasing year on year (Humanitarian Actions, 2026).

On operational issues, international actors described coordination, security, and global supply chain functions as the UN's original and most appropriate mandate. Respondents also noted UN agencies' shift toward direct implementation, driven historically by the volume of available funding, is now under strain as that funding contracts.

Certain large-scale logistical functions were also noted as a distinctive UN capability. Most specifically the provision of flights to locations where commercial aviation is unavailable, which benefits not only UN operations but the wider humanitarian system, including INGO staff.

4. Case Studies

4.1 Yemen Consortiums

Box 5 – Consortium Case Study

Background and Structure

CCY has been active in Yemen since 2020, with DRC as lead agency and 4 INGOs, and IOM (in a non-funded technical role) as members. The consortium operates across both IRG and De Facto areas, with a primary focus on Multi-Purpose Cash Assistance and a recent shift toward Cash+. It is funded by FCDO, ECHO, and EU, and has a strong, independent consortium management unit. It also co-chairs the cash market working group and undertakes sectoral research alongside implementation. BFD, a Yemeni NGO, was recently brought in as a local implementing partner, currently receiving 10% of consortium funding, with the objective to moving them to a lead partner over time.

BRIGHTLY is led by CARE and comprises four international NGOs plus YFCA (a Yemeni national organization) as a co-lead with equal governance status to the international partners. The consortium implements longer-term resilience programming, including a Cash+ and graduation approach, and is funded by FCDO under a large, multi-year grant. It currently works with nine local implementing partners alongside the local partner lead.

Approaches to Localization

The two consortia differ most visibly in how local partnership was conceived and structured from the outset. In BRIGHTLY, a local partner was a founding co-lead from the proposal stage. They hold the same budget allocation and agency as the international consortium members. They also lead the Localization Technical Working Group, a monthly forum that generates a live action plan driven by local actors' own priorities and challenges. Local implementing partners are involved in technical working groups across MEAL, transition approaches, gender, and safeguarding. A "buddy" model is used to facilitate deliberate handover of programming responsibility from international members to local partners in specific areas. It was noted that discussions were underway within the Localization Technical Working Group on the possibility of establishing a local NGO consortium as a pilot funding mechanism. At the time of the research, this remained at the conceptual stage and had not yet progressed to implementation.

In CCY, the path to local partnership had different origins, though the direction of travel is similar. Essentially, the inclusion of a local partner was prompted by a requirement that CCY demonstrate local partnership to remain eligible for future ECHO funding. The local partner was brought on and initially received 10% of funding, though CCY has framed this not as a ceiling but as a starting point. The consortium's general localization strategy remains under development.

Enabling Factors

Several conditions appear to have enabled BRIGHTLY to embed local partnership as a core tenet. The nature of the donor relationship stands out: FCDO is described as deliberately non-directive on localization. They did not set specific targets or indicators, leaving the consortium to define its own approach to localizing. This created space for the Localization Technical Working Group to emerge as a genuine accountability mechanism to local actors rather than a compliance exercise toward the donor. The long-term nature of the funding, a

multi-year grant at significant scale, also appears to have been enabling, allowing the relationships and governance structures that underpin the local partners' co-lead status to develop over time.

For CCY, one clear enabling factor was having leadership with strong prior convictions about local partnership, drawing on localization experience from other contexts and consortia. The fundraising motivation that got local partnership onto the agenda, may have opened the door, but CCY's ambition is reflected in its efforts to go considerably beyond what the funding requirement demanded. The consortium's independent management unit and its research function may also be assets that support a more systematic approach to localization as the strategy develops.

Challenges

Both consortia face challenges that are as much structural as organizational. For CCY, the most significant constraint identified is the highly constrained financial operating environment in Yemen, including banking restrictions, liquidity shortages, exchange-rate volatility, and cross-border transfer challenges. As local organizations assume larger implementation and funding responsibilities, they become increasingly exposed to these systemic financial-sector risks. This creates a dilemma: advancing local partnership requires increasing the financial exposure of local actors to an inherently high-risk operating environment, rather than reflecting limitations in the financial management capacity of individual organizations.

For BRIGHTLY, the challenges are less about the structure of local partnership than about deepening and extending it. There is an active internal discussion about how to expand financial flows to local partners beyond the current 30% implementation budget allocation and how to allocate a share of core budget to local subgrantee partners to use for their own organizational priorities.

BRIGHTLY also has some structural tensions that constrain its localization approaches. While the lead local partner holds the same formal standing as international consortium members, the downstream contractual architecture requires local partners to be contracted individually by lead organizations. As a result, they are then subject to each organization's own due diligence requirements, and the level of support that they receive remains primarily dependent on the "localization appetite" of their lead partner. Sustaining genuinely equal partnerships within these structures requires deliberate and ongoing effort.

Lessons from the Case Studies

The entry point for local partnership matters less than the trajectory. CCY's path into local partnership was pragmatic and donor-driven; BRIGHTLY's was strategic and values-led. Both are now moving in a similar direction.

Internal accountability mechanisms oriented toward local actors appear to be more durable than donor-mandated funding targets. The BRIGHTLY Localization Technical Working Group was not required by FCDO; it emerged from the consortium's own commitment and has produced a live, locally driven action plan. This internal accountability architecture is one of the distinguishing features of BRIGHTLY's approach.

4.2 Saferworld Partnership Hub Model

Saferworld is a UK-headquartered international NGO, established in 1989, with a mission to prevent violent conflict and build safer lives. Its Yemen program focuses on supporting youth and women's civil society groups, strengthening community cohesion, and bridging the divisions worsened by war.

Saferworld sits at the internationally led end of the intermediary spectrum, but its approach in Yemen is oriented explicitly toward expanding local agency rather than managing local delivery. As the Yemen team put it directly: *"localization isn't just about funding — it is about agency."* This framing is consistent with Saferworld's organizational commitment, set out in its strategic plan, to ensure local partners have a greater say in everything it does, through joint strategy development and shared decision-making processes. Saferworld's value-for-money approach is also worth noting as context: the organization explicitly frames its comparative advantage around "sustained, locally driven processes without high volumes of output". It is a model that prioritizes depth of relationship and systemic change over transactional delivery.

Partnerships in Yemen

Saferworld works with partners in Yemen across three distinct but complementary relationship types.

Strategic Partners are organizations with whom Saferworld holds a partnership agreement outside of any specific project. These relationships center on joint strategy development and co-creation of programming ideas. The hub model described below emerged directly from this kind of collaboration. Strategic partners participate in setting yearly priorities through regular joint meetings, and the relationship is built on long-term mutual investment rather than transactional funding flows. Information passes quickly between strategic partners and Saferworld, with well-established trust at senior levels enabling rapid joint response when needed.

At senior levels, these feel like peer relationships; at operational levels, reporting requirements can introduce a more conventional donor dynamic; this is a tension Saferworld acknowledges openly. Strategic partners understand that funding flows from the relationship, but the relationship is not defined by funding. Saferworld's strategic plan formalizes this commitment, describing a partner forum and processes specifically designed to give local partners greater influence in decision-making across the organization.

Hub Partners represent a more structural innovation. Working with national partners, Saferworld has established Civil Society Organization (CSO) Hubs in Yemen, piloted in Aden and Taiz. These connect the work of smaller, local organisations, each retaining independent structures, around shared goals of community problem-solving and strengthened collaboration. Consistent with Saferworld's Yemen-wide focus on women and youth, the hub model specifically centers women-led organizations and groups representing people with disabilities, diverse geographic backgrounds, and different industries and sectors.

Importantly, the model has shown organic uptake: other hubs, including one initiated by Oxfam and the EU, have since connected into the same structure. Saferworld is actively navigating legal and governance complexity as the model expands, including questions about which local governing bodies hubs should formally relate to, and which cities to trial next. Hub members tend to be more outward-facing and independent than strategic partners, actively seeking funding from multiple donors, a sign of the model building genuine organizational autonomy rather than dependence on Saferworld.

Solidarity Fund Partners are very small organizations, many with no prior experience of institutional funding, reached through the Yemen Civil Society Solidarity Fund (YCSF), described in detail below.

Yemen Civil Society Solidarity Fund (YCSSD)

The YCSF is Saferworld's most distinctive instrument for reaching organizations that conventional international grant mechanisms exclude. Now in its fourth round (with annual cycles intended but subject to funding availability) the fund has provided small grants of up to €45,000 to 18 Yemeni civil society organizations. Supported work has included increasing young people's and women's participation in community activities and policy processes, building relations between host communities and internally displaced people, and tackling violence in secondary schools.

The fund operates across funding streams focused on peacebuilding and capacity strengthening and peacebuilding and sustainability [*third stream TBC*]. A separate **targeted fund** supports larger organizations needing capacity to expand their reach, and an **emergency fund** is available for existing partners facing unexpected costs, subject to available funding.

What distinguishes the YCSF is less its scale than its **process design**, which systematically lowers the barriers that standard international funding instruments create:

- **Arabic-language proposals** focused on articulating change rather than demonstrating organizational capacity in formats typical of international grant-making
- **Pre-application workshops** on concept note writing and scoring criteria, introduced after early rounds based on learning from previous cycles
- **Peer review**: shortlisted applications are assessed by the organizations themselves against shared criteria, with local authorities and other local organizations also involved
- **Feedback to all applicants** (including those not funded) explaining the basis for decisions. Given the volume of applications (700 applicants, for 5 – 10 selected proposals per round) relative to available grants, this is a significant commitment
- **Learning sessions** after each round, through which the model has been iteratively refined

Risk Sharing

Saferworld's framing of risk is notably different from most international intermediaries. Rather than managing risk on behalf of local partners, the approach is described as **absorbing risk collectively** — building shared exposure rather than a protective hierarchy. This has practical implications: hub members, for example, may not have the same internal policies and procedures as Saferworld, but rather than treating this as a compliance problem, Saferworld devolves decision-making to the organization while framing accountability to donor requirements as a shared responsibility to work toward together. When a partner wants to proceed with something, the conversation is about what accountability to a donor might eventually look like - not whether the decision is permissible.

5. Donor Behavior and Enabling Factors

5.1 What Enables Locally Led Action

5.1.1 Local Actors

- **Long-term, flexible funding is the single most consistently cited enabler.** One partner offers a concrete positive example: its relationship with the German Development Bank and Cordaid/DRA involved multi-year funding, for almost a decade with genuine program design flexibility. This funding allowed the organization to meet international compliance standards, improve operational performance, and increase population and sector reach. This partnership also created the possibility for them to join a consortium to local actors, funded by the Dutch Government. Clearly, long-term, predictable funding is a key to unlocking local actor potential. However, with the return to humanitarian funding cycles in Yemen, this presents a challenge.
- **Embedding capacity building within implementation projects,** rather than as a standalone or optional component. One national intermediary describes two distinct grant modalities it operates under: some include dedicated budget lines for partner capacity building, while others cover only activity implementation, with the difference determined by donor rules rather than organizational choice.
- **Support for local organizations as co-leads from project inception,** rather than the assumption that the inclusion of local partners in a project indicates localization actions. This points to the important distinction in localization, whereby funding local partners doesn't guarantee localized action. Without transfer of decision making, for instance, a commitment to co-design, funding means little.
- **Adequate ICR and overhead coverage.** A local actor noted that recent donor agreements have reduced allowable administrative percentages. Another actor noted that indirect costs are partially covered depending on donor agreements, but that coverage does not fully support long-term institutional strengthening. Without sufficient ICR, local actors remain caught in a cycle of delivering programming and attending capacity sharing, without the financial means to implement meaningful change at an organizational level.
- **Direct donor engagement with local organizations.** Partners describe having no (or limited) direct access to International bilateral donor funding, because they aren't "in the room". They call for donors to facilitate direct engagement rather than all communication routing through UN/INGO intermediaries.

- **Contextual flexibility in compliance requirements.** Local partners repeatedly noted that compliance requirements do not fit Yemen's context. Local actors suggest that compliance frameworks need to be calibrated to context rather than applied uniformly.

5.1.2 International Actors

- **Funding conditions that require or incentivize local partner inclusion are identified as the most concrete and directly effective lever available to donors.** The practical result is a fundraising incentive structure in which INGOs are more likely to secure awards when working equitably with local partners. Several donors operating in Yemen, including the YHF, ECHO, and Irish Aid, have made local partnership a condition or expectation within their award processes.
 - ECHO actively encourages consortium proposals that include local actors, and one respondent noted that their organization's access to ECHO funding was in part contingent on demonstrating local partnership.
 - Irish Aid requires a named local NGO partner and monitors both the percentage of funding transferred and the quality of the partnership approach.
- **Non-directive, trust-based funding that leaves the architecture of local partnership to the implementing organization.** One respondent described FCDO's approach to their consortium as deliberately non-prescriptive: no specific localization targets, no mandated indicators, and the Localization Technical Working Group emerging from the consortium's own commitment rather than a donor requirement.
- **Genuine flexibility in funding and programming.** Two donors are cited as having modelled this in practice: Irish Aid funded the initiation of an innovative CSO hub model before outcomes were certain, and the EU was willing to experiment alongside. Both were willing to absorb early-stage uncertainty in ways that made the model possible.
 - One respondent argued that flexible funding requires donors to genuinely listen, acknowledge and share risk, and accept that their own priorities should not automatically define local priorities. A concrete example is offered of donor values, including around gender, being applied without contextual adaptation in ways that undermine rather than advance the outcomes they are intended to support, including by exposing local women to harm in peacebuilding contexts.
- **Direct funding to local organizations at scale, not on a pilot basis.** The evidence gap that currently prevents donors from moving in this direction is partly self-reinforcing: it does not exist because local actors have not been funded directly at the scale that would generate it.

5.2 What Constrains Locally Led Action

5.2.1 Local Actors

- **The structural requirement for an international lead agency or intermediary,** which directly prevents local actors from accessing bilateral or institutional funding on their own terms, was the most consistently cited barrier across all seven KIs.
- **High compliance requirements disproportionate to local organizations' systems capacity.** One partner frames this as a stigmatization risk, local organizations are penalized for mistakes caused by weak controls, which then undermines donor trust in the sector more broadly.

- **Short project durations** are cited by partners as incompatible with building the kinds of partnerships and institutional systems that genuine localization requires.
- **Limited donor trust in local organizations.** One partner offers the most structural analysis of this dynamic: the barrier is not necessarily local capacity; it is the absence of evidence, and the absence of evidence is partly the result of donors not having funded local actors directly at scale. The recommended solution is shortlisting and targeting a selection of capable local NGOs, with gradual transition of leadership.
- **Fragmented, activity-tied funding with no investment in systems or institutional development.** One partner specifically asks for integrated, multi-component projects rather than fragmented activities, and for better coordination between capacity-building and organizational development funding streams.

5.2.2 International Actors

- **Tokenistic local partner inclusion is identified as a risk that donor requirements can inadvertently create.** A related concern is the concentration of local representation: the same four or five individuals are consistently called upon to speak on behalf of all local organizations in Yemen. One respondent describes this as a disservice to the diversity of voices and perspectives that exist across the sector. Localization, they argue, is not the same as working through a local partner. It requires the actual transfer of power and agency, and current donor requirements do not always reach that far.
- **The ecosystem of local partners engaged by international actors is skewed toward larger, established organizations,** and this is often incentivized by donor requirements. One respondent notes that the largest local organizations already hold multiple INGO partnerships, and that attention needs to shift toward medium-scale NGOs with growth potential and toward building the "next generation" of local civil society, to avoid elite capture, and reduce the risk of creating a parallel local NGO structure, than mimics the limitations of the INGO approach.
- **The bureaucratic approach of grant agreements sits in structural tension with the goal of equal partnership.** One respondent noted that even where the intention is to build equitable relationships, the nature of downstream sub-grant agreements is not inherently equal. Compliance requirements, contracting timelines, and donor-mandated procedures translate into burdens that fall disproportionately on local partners, and the cost and effort required to bring smaller organizations up to the systems level that full partnership requires is significant, and often falls on international partners, with no dedicated funding to support it.
- **Capacity building and institutional strengthening are not adequately funded as standalone investments.** The participants added that donors often focus on numbers of organizations supported

rather than the depth of the work involved, and do not see or understand how genuine localization should be reflected in budgets and organizational structures.

6. Recommendations

The recommendations that follow are divided by the audience, but they are not independent of each other. What donors require of international actors, and what international actors make possible for local actors, are linked across the spectrum. Progress on one side of that relationship without corresponding movement on the other will likely stall. These recommendations are intended to be read as a connected whole.

The recommendations are primarily in service of an important principle, which is worth stating plainly before any of them: localization is not a property of actor type. It is a property of practice, at every level of the system.

The measure of whether localization is being achieved is not whether an INGO funds a local partner, or whether a local partner sub-grants to a community organization. It is whether, at the end of that chain, the people most affected by the response are genuinely shaping it and benefiting from it. A donor that funds an INGO which sub-grants to a local NGO with no voice in design has not achieved localization. A donor that funds a local actor directly, who then replicates the same top-down model, has also not achieved localization.

This means, fundamentally, the question of "are you working with local partners?" is the wrong question. The right question, for donors, international actors, and for local actors themselves, is whether the partners you work with are genuinely connected to and accountable to the communities they serve, and whether the way you work with them actively supports that accountability rather than undermining it.

The recommendations that follow are an attempt to answer that question in practice, and we ask that they be received with this important point in mind.

6.1 For Donors

- **Provide long-term, flexible and multi-year funding to local actors, and move beyond pilots**
 - Short project cycles are structurally incompatible with the institutional development, relationship-building, and systems investment that genuine localization requires. Where possible, donors should commit to multi-year, adaptive funding.
 - Part of what gives INGOs preferential access to bilateral (and multilateral) funding is a body of evidence generated through sustained investment over time. Local actors are rarely given this same opportunity to build that evidence base. Funding local actors, at scale, over time, is both a mechanism and a precondition to closing this gap.
- **Require meaningful local partner inclusion in award processes, defined by agency and not presence**

- Donor requirements that mandate a named local partner without specifying how that partner is engaged in decision making can produce tokenistic inclusion whereby a local actor fulfils a compliance requirement without any meaningful shift in who makes decision or holds power.
- Award requirements could include co-design with the local partner, joint needs assessments and/or a planned trajectory for increasing both funding and decision-making authority with a local partner.
- **Use funding conditions to ensure local actors are adequately resourced within partnership arrangements**
 - Donors have significant leverage over how INGOs structure their relationships with local partners. To the extent that it is possible within existing funding frameworks, donors should consider requiring that a share of indirect cost recovery (ICR) be passed through to local partners in any arrangement described as a partnership.
- **Create direct communication and engagement channels between donors and local organizations**
 - Local actors across this research described accessing bilateral donors almost exclusively through INGO or UN intermediaries. This limits donors' ability to build an independent understanding of local actors' capacity and track record and reinforces a system in which the INGO assessment of local capacity becomes the donor's primary source of evidence.
 - This is particularly challenging in the context of declining funding, whereby INGOs are increasingly competing with local actors for the same funds. Donors should create structured opportunities for direct engagement with local organizations, including, for example joint visits alongside INGO partners, invitations to in-country donor meetings, and, where appropriate, a fixed contact point, with a mandate to ensure communication with that partner.
- **Fund institutional strengthening as a standalone investment, not only a project line item**
 - Capacity building embedded within project budgets is insufficient for durable organizational development, which is needed if local actors are to develop the necessary systems to meet donor requirements for large scale direct funding. The distinction between project-specific training (which several respondents described as over-resourced relative to actual need) and genuine institutional strengthening, which is chronically under-resourced, was one of the most consistent findings across both local actor KIIs and the downstream partner interviews.
 - Donors could explore opportunities to create dedicated, flexible funding streams for governance, systems, and organizational development that are independent of delivery contracts and responsive to what organizations themselves identify as priorities, rather than what donor or program frameworks define as gaps.

A note on Gulf Funding. Interviews with participating local organizations indicated that several maintain long-standing partnerships with Gulf donors, representing an important source of humanitarian and development funding in Yemen. These partnerships often operate through different networks from those

more commonly accessed by Western bilateral donors and INGOs. While Gulf donors also work closely with UN agencies and international partners in Yemen, the findings suggest there is scope to strengthen complementarity across these funding ecosystems, helping to broaden partnership opportunities and better leverage the capacities of local organizations for locally led action.

6.2 For International Intermediaries

- **Actively create space for local actors in donor environments and resist the gatekeeping function**
 - INGOs occupy a structurally powerful position between donors and local actors, and that position can function either as a bridge or a bottleneck. The data from this research is clear that international actors are well placed to create direct lines between local organizations and donors and that this function is currently underutilized. The same structural position, however, also creates a risk: international actors can become the sole interpreters of local capacity to donors, controlling the narrative in ways that serve institutional rather than systemic interests.
- **Recognize that working with local actors is not the same as localization, and adjust governance and partnership practices accordingly**
 - The presence of a local partner in a program is a necessary, but not sufficient, condition for localization. What determines whether genuine localization is occurring is whether the nature of the relationship has fundamentally changed. Meaning, whether agency and decision-making power have meaningfully shifted, not only from international intermediary to local partner, but from local partner to community.
 - This distinction matters because the path of least resistance is selecting a well-established local organization that already meets compliance requirements. The more demanding question is: which organization is best placed to serve this community? Answering that question takes more time, and the right organization may require investment in skills and systems before it is ready to absorb funding at scale. Evidence from this research suggests that in Yemen, this investment is worth making. The civil society ecosystem is substantive and diverse, including organizations that, while operating at lower end of our funding absorption capacity, possess deep community roots, strong contextual knowledge, and strong systems.
- **Engage local actors before proposal development stage, not after**
 - Downstream partner interviews in this research consistently identified late engagement — being brought into a project after proposals had been approved and parameters set as the single most significant factor reducing their role to implementation of someone else's design. Early engagement produces more contextually appropriate interventions, stronger partner ownership, and more durable outcomes.

- It also takes more time and requires a willingness to engage in a more iterative design process and requires international actors to invest in relationship-building with local organizations before a call for proposal has even been issued. International actors should treat early local partner engagement as a standard operating practice, not an innovation.
- **Develop explicit risk-sharing frameworks in partnership with local actors**
 - As local partners take on larger funding allocations and more direct implementation responsibility, the financial and operational risks they carry increase. The risk of this trajectory is not the transfer of programming responsibility, but rather the transfer of risk without the accompanying infrastructure to manage it. International actors should develop explicit frameworks for how risk is shared rather than shifted and ensure that increasing local partner responsibility is matched by increasing local partner protection.

6.3 For Local Intermediaries

The recommendations above are addressed primarily to donors and international intermediaries, because this research confirms that the structural levers for change sit largely with them. But the findings also point to some actions that local actors in Yemen are already doing and should do more deliberately and more visibly, which can help to move the needle.

- **Make your track record difficult to ignore**
 - One of the commonly cited barriers to bilateral funding for local actors is not capacity; it is, at least partly, due to the absence of documented evidence at scale. Part of that absence is structural: donors have not historically funded local actors directly at the level that would generate it. But part of it is within local actors' control. Local organizations that are delivering results, even if not yet at scale, sub-granting to community partners, and delivering complex interventions should invest in documenting and communicating that track record in forms that bilateral donors can access and assess
- **Invest in peer learning and horizontal coordination across local actors – and make that ecosystem visible**
 - Local actors in Yemen are increasingly sharing knowledge, systems, and learning with each other: coaching downstream partners, sharing risk management tools, and mentoring newer organizations through compliance processes. This is an important and undervalued feature of the local actor landscape in Yemen and critically, it is not happening in a vacuum. Strong coordination structures already exist among local actors in Yemen, and local organizations are already present in most UN coordination spaces. The infrastructure, in other words, is largely there.
 - Local actors should invest, where possible, in making this ecosystem and its achievements more visible to the donors and international actors who engage primarily through vertical

funding relationships. This could be through documentation, through deliberate use of the Yemen NGO forum and existing coordination spaces, and through direct engagement with donors.

Annex 1: Methodology Overview

Survey

As a first stage of data collection, a structured survey was administered to local organizations identified as potential intermediaries in Yemen. The survey gathered baseline information across the following areas:

- **Background and contact details**
- **Origin:** home-grown vs. internationally grown status, year of formation, registration status, equivalency determination, and headquarters location
- **Operational geography:** governorates in which the entity works or supports other organizations, and whether its overall geographic focus is international, regional, national, or subnational
- **Leadership and governance:** nationality and location of top leadership, board composition and location, presence of a funded secretariat, and grantee representation on the board
- **Function:** whether regranting is a sole or partial function, a breakdown of funding sources and channels (domestic, regional, international, bilateral, multilateral, or via international NGOs), receipt and source of bilateral donor funding, provision of direct programming, and other functions such as fiscal sponsorship, advocacy, resource mobilization, and capacity strengthening
- **Focus:** sectors supported, target grantee types, and primary beneficiary categories
- **Size and capacity:** employee numbers (or member organizations, for coalitions and networks), annual operating budget, and largest amount the entity could currently absorb and regrant
- **Regranting practice:** categories of organizations receiving grants

Key Informant Interviews (KIIs)

Local Intermediaries

The guide for local organizations was structured around five thematic areas. It opened with background information on the organization and its categorization, before moving into characteristics, focus, and function. This section covered thematic or geographic scope, the types of downstream organizations they fund or partner with, grant modalities, and the typical duration of partnerships.

The second section explored policies and practices: how organizations had transferred decision-making to local actors, how feedback was exchanged with partners, whether funding covered indirect costs, and what challenges they faced in partner relationships.

A third section focused on donor behavior as an enabling or constraining factor, and the guide concluded with a comparative advantages section exploring where the interviewee sees their own relative strengths in the aid system.

KIIs were conducted with seven national NGOs operating in Yemen, selected on the basis that they met the study's shortlisting criteria as local intermediaries with a regranting function and sufficient organizational capacity. One partner was included who did not do regranting, in order to provide a different perspective.

Participants were identified through desk research, network consultation, and referrals from donors and other stakeholders. Interviews were conducted remotely in February and March 2026, led by the local consultant and covering each organization's focus and functions, policies and practices, enabling and constraining factors, and perspectives on comparative advantages within the intermediary landscape. Interview notes were recorded in a standardized proforma tool and written up in English for analysis.

International Intermediaries

The international guide followed a parallel structure but was adapted for organizations that occupy a regranting or intermediary position in the funding chain rather than a recipient one.

The characteristics section covered thematic and geographic focus, the types of organizations they fund, the nature of those funding relationships, grant types and volumes, and partnership duration. It then turned to policies and practices, including examples of innovations for shifting decision-making power, policies governing engagement with grantees and sub-partners across program design and MEL, overhead cost coverage, and feedback mechanisms.

A distinct funder behavior section explored what roles donors play in shaping locally led action, what enables or challenges this in procurement and award processes, and what priority steps donors could take. The guide concluded with a comparative advantages section, asking interviewees to reflect on their own strengths and those of other actor types across dimensions such as origin, leadership, structure, and function.

KIIs were conducted with six international organizations operating as intermediaries in Yemen, spanning both single-organization and consortium-based models.

Participants were identified through the research team's networks, donor consultations, and desk review of the intermediary landscape. All interviews were conducted remotely between April and June 2026 and followed a semi-structured format exploring organizational focus and function, approaches to shifting decision-making and resources to local actors, donor-enabling factors, and perspectives on the comparative advantages of different intermediary models. Interviews were conducted jointly by the research lead and local consultant.

Sub-Grantee / Downstream Partner Interviews

Three downstream partner interviews were conducted with organizations identified through referral from KII participants. As part of the primary interview process, intermediaries were asked to share contact details for one to two of their local sub-partners or grantees; sub-grantee interviews were then arranged by the local consultant with those who agreed to participate.

Interviews were conducted remotely and followed a semi-structured format exploring sub-grantees' experiences of decision-making, program design, communication, and capacity support within their respective partnership arrangements. The purpose of these interviews was to triangulate intermediary self-reporting against the perspectives of their downstream partners.

Separation of Functions (SoF) Workshops

Following the completion of KIIs with local and international intermediaries, The Share Trust convened two online workshops. One with local intermediary participants and one with international intermediaries, to explore comparative advantages and separation of functions across actor types.

Originally, we had planned to deliver a survey to collect the Separation of Functions and Comparative Advantages data. However, based on experience in Uganda and Sudan, where response rates were very low, we pivoted our approach. The workshop methodology was first developed and piloted in Uganda, where sessions were conducted in person. For Yemen, workshops were held online via Teams and adapted for a remote, cross-location participant group. The original design called for structured use of digital tools (in this case, Miro) for the separation of functions exercise, to replicate the interactive elements of the in-person format. In practice, Miro proved difficult to use effectively in the online setting, and the sessions evolved into semi-structured group conversations facilitated by the research team. Miro was used during the local intermediary session, but even there the richest data emerged from the facilitated discussion rather than the tool outputs. Notes taken during each session form the primary analytical record of the workshops.

While this adaptation meant that the Yemen workshops generated less structured quantitative data than originally intended, the conversational format produced substantive qualitative insights that complement and validate the KII findings.