

Summary Note

GB WS2 Pre-Meeting Workshop on Leveraging Financing Across the Nexus for Capacity Strengthening of Local Responders

2 June 2021 (11:00-12:30 CEST)

Background

On 10 June, the Grand Bargain Localisation Workstream is convening a meeting that aims to bring together decision makers from major donors as well as international and local humanitarian and development organisations to identify key issues and potential actions or commitments to leverage investment across the humanitarian-development-climate-peace nexus to support institutional capacity strengthening of local responders. The pre-meeting was organized to help inform and shape the 10 June meeting.

Objectives of the Pre-Meeting

The pre-meeting focused on exploring: (1) funding opportunities and gaps for institutional capacity strengthening of local actors and: (2) capacity strengthening good practices. Specifically, it aims to answer the following questions:

1. What are the elements and characteristics of a good practice approach to institutional capacity strengthening for local actors?
2. What are the existing funding opportunities across the nexus for institutional capacity strengthening of local actors?
3. What are the factors that impede greater donor investment in capacity strengthening of local actors?

Feedback from participants will be incorporated into the agenda and content of the main meeting on 10 June.

Group Discussions

In order to gather feedback and input from participants that will feed into the structure and agenda of the 10 June meeting, three breakout discussions were held—each centering around one of the three questions mentioned above.

Breakout Group 1: *What are the elements and characteristics of a good practice approach to institutional capacity strengthening for local actors?*

Discussion on Partners

During the discussion, the issue of participatory approaches to capacity strengthening, involving people in the humanitarian response (from analysis, to planning, to monitoring, to advocacy at different levels) was raised. Further, peer-to-peer learning, developing trust between partners and learning from each other were raised as critical elements. The idea was also proposed to share lessons learned during peer-to-peer engagements with partners (e.g. refugee-led organizations) after an organization strengthens its own internal capacities.

Discussion on Funding

One participant observed that the smaller its international partners were, the more flexible they were. It was also suggested that donors could take a more bottom-up approach by facilitating joint planning

of funding, with local actors leading the process and donors making sure that they comply with requirements. One participant noted that in some agencies, the funding process takes too long and bureaucratic barriers remain an issue. This creates frustration on the ground and can negatively impact the reputation of organizations. It was also noted that having a variety of funding sources is key.

Breakout Group 2: What are the existing funding opportunities across the nexus for institutional capacity strengthening of local actors?

Even though humanitarian and development activities are complementary, it was observed that it remains challenging to raise funds with donors for both activities simultaneously. This makes it very hard for nexus approaches. However, there are already international organisations that fund partners to implement actions that cross the divide. It was mentioned that different donors have placed emphasis for capacity strengthening in different funding streams (some in development funding, for instance). One participant noted that nexus shouldn't necessarily mean merging together each sphere, but rather, on the humanitarian side, could be oriented more toward demonstrating the ways that humanitarian programs have development impacts. Furthermore, it was suggested that a holistic view is needed rather than the three silos of HDP. Finally, it was suggested that one additional area that could pose opportunities for funding is through anticipatory action and preparedness.

What are the impediments

Several impediments to greater donor investment in capacity strengthening of local actors were mentioned. These included monitoring indicators, tensions between NGOs and national authorities (including the wider topic of shrinking civil society space)—as well as the need to engage with these actors in order to resolve tensions—and the issue of national sovereignty.

Good practices

One participant flagged that it had experienced positive results through formal peer-to-peer operational exchange programs with its local members. Another participant posed that there are two levels of capacity strengthening that should be distinguished: operational and programmatic (cash programming, economic empowerment). They stated that it is not easy to pitch long-term programs in many contexts and that, when advocating with donors, it is good to distinguish these two levels and to emphasize that both capacity strengthening and the nexus have a cost.

Breakout Group 3: What are the factors that impede greater donor investment in capacity strengthening of local actors?

A wide variety of impediments were raised during this breakout group, including legislative barriers for some donors, limitations in capacity of donors, and a lack of understanding of local actors' capacity. Further, participants added that the short-term nature of humanitarian funding, donors' capacity to engage at country level, donors' having their own initiatives and their 'usual' partners, and a lack of localisation strategy for some donors were common issues. It was noted that some intermediaries are not pushing donors to improve investment on capacity strengthening, there are difficulties in communicating the value and evidence of investment on capacity strengthening, and there is a lack of or limited conversation between donors and local actors. Finally, for some, there appears to be a 'catch 22' between risk and quality concerns, approaches to programming and funding seem to often be siloed, and there are unclear or diverse definitions of capacity strengthening—making discussions more challenging.