



# Advancing Aid Fund for Syria's Strategic Approach

Lessons from Humanitarian Pooled Funds

March 2025



A GLOBAL NGO NETWORK  
FOR PRINCIPLED AND EFFECTIVE  
HUMANITARIAN ACTION



**AFS**  
Aid Fund for Syria

## About ICVA

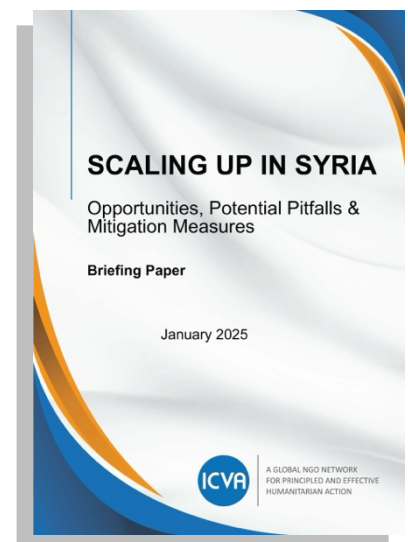
Founded in 1962, International Council of Voluntary Agencies (ICVA) is a global network of over 160 non-governmental organisations (NGOs) active in 160 countries, operating at global, regional, national and local levels, whose mission is to make humanitarian action more principled and effective by working collectively and independently to influence policy and practice. Historically based in Geneva, ICVA Secretariat has now presence in Africa, Asia, Latin America, and MENA.

## Overview of ICVA's Role in the Syria Response

ICVA plays a pivotal role in strengthening coordination among NGOs in Syria by convening, connecting, and amplifying the voices of organisations working on the ground. ICVA enhances the advocacy efforts of NGO networks by providing tailored support to maximise effective engagement with donors, UN agencies and other key stakeholders, including corporations and foundations.

With its technical expertise, ICVA supports members in areas such as humanitarian coordination, durable solutions, the humanitarian-development-peace nexus, and localisation. ICVA also compiles and shares evidence-based resources that are widely used by our members to inform and strengthen collective advocacy efforts. Notable examples include *Scaling up in Syria*, *Adapting Humanitarian Coordination*, *Localisation in Humanitarian Leadership*, *Advancing the Nexus in MENA*, and the *MENA Localisation* report.

As a key ally to local Syrian networks, ICVA facilitates connections with **global and regional platforms** and provides support to scale up joint advocacy initiatives. To promote learning, we facilitate conferences and exchanges between Syrian networks and other regional and global contexts, as well as from their counterparts and peer organisations.



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## Executive Summary

This paper highlights best practices from selected pooled funds, focusing on approaches that may be useful for the **Aid Fund for Syria (AFS)** in three key areas:

- Complementarity and coordination with other pooled funding mechanisms
- Localisation and accountability
- Expanding beyond emergency response

This is not a full review of pooled fund best practices or AFS's strategic needs. However, the findings aim to be relevant in the fast-changing context of northern Syria and AFS's funding goals.

The focus areas were chosen in consultation with AFS leadership. The funds reviewed were selected based on their relevance to AFS's mandate and their innovative practices in these areas. Insights were gathered through desk research and interviews with fund staff and key stakeholders. Each fund was examined through case studies, with broader lessons drawn from this research and ICVA's work on risk-sharing and local NGO engagement in Country-Based Pooled Fund (CBPF) governance.

The review highlights the AFS's innovative financing strategies to support communities holistically, addressing both immediate and early recovery needs. Through its Third Regular Allocation Strategy, AFS finances integrated programs that enhance community resilience and well-being, supports consortiums of community-based organizations, and provides long-term funding for essential services and protection for at-risk populations. AFS also offers multi-year grants. The learning from this funding round—particularly the rollout of the Anchor Organisation approach—will be valuable to share.

### **Recommendations for the AFS to consider include:**

#### **Enhance Thought Leadership & Knowledge Sharing**

- ❖ Strengthen its role as a thought leader by systematically documenting and sharing lessons learned, highlighting its area-based approaches, especially those derived from multi-year grants and the Anchor Organisation approach.
- ❖ Proactively engage with other pooled funds through learning exchanges and joint research initiatives.

### **Pilot Innovative & Flexible Funding Mechanisms**

- ❖ Introduce targeted funding windows to support innovative programming, such as early recovery, resilience, and anticipatory action.
- ❖ Blend development and humanitarian financing and develop alternative financing models, including matching funds, insurance mechanisms or social impact funding.
- ❖ Create a dedicated emergency response window with simplified application procedures to improve speed and flexibility while maintaining accountability.
- ❖ Allocate specific funding for preparedness and anticipatory action, supporting partners in scenario planning, pre-positioning critical supplies, and developing crisis response frameworks.

### **Strengthen Partner Engagement and Collaboration**

- ❖ Institutionalise regular engagement with grantees, such as peer-learning forums, mentorship initiatives, and joint problem-solving sessions.
- ❖ Consider increasing its expertise and support to its partners in consortium building, including helping partners to effectively leverage the value add of each other and engage in effective task and risk sharing.
- ❖ Formalise consultations with local actors, ensuring they have an effective voice in funding decisions.
- ❖ Create communities of practice among grantees and sub-grantees.

### **Improve Governance, Coordination, and Accountability**

- ❖ Institutionalise biannual strategic reviews, incorporating feedback from partners and affected communities.
- ❖ Create an independent advisory group to assess Fund performance and recommend improvements.
- ❖ Formalise its coordination framework with the Syria Cross-Border Humanitarian Fund (SCHF) and other relevant funds, including structured meetings, shared reporting mechanisms, and joint funding opportunities.

# Introduction

While bilateral funding remains the preferred humanitarian financing method for most donors, humanitarian pooled funds have grown in importance as funding vehicles over the last ten years. While there has been considerable amount of research into pooled funds in general ([i.e. NRC, 2017; NRC, 2022; ICVA, 2023, ICVA, 2024](#)), including the governance of funds ([i.e. Carter, 2018; NRC, 2019; Koepl, 2019; ICVA, 2023; OCHA, 2023](#)), there is a need to actively review learnings and best practises among funds, given their continual innovation, particularly in localisation and effective emergency programming.

**This paper aims to provide insights for the AFS leadership in three thematic areas:**

1. Complementarity and coordination with other pooled funding mechanisms
2. Localisation and accountability
3. Expanding beyond emergency response

Eight funds have been selected and reviewed based on their contextual and mandate relevance to the AFS. Insights were gathered both through document review and key informant interviews (KIIs). Findings from parallel work currently being conducted by ICVA on both risk-sharing and pooled funds governance were integrated into the recommendations where relevant. Although designed explicitly with the needs of the AFS in mind, it is hoped that the research will be of use to pooled funds more generally.

The paper begins with an introduction to humanitarian pooled funds and the AFS, followed by brief case of studies of the eight pooled funds reviewed. It then presents lessons learned /good practices across the three focus areas, concluding with recommendations for pooled funds in general and specific recommendations for the AFS.

# Methodology

Based on the terms of reference and initial discussions with ICVA and the AFS, the following three thematic areas were the focus of this study:

- ❖ **Complementarity and Coordination:** how funds have strived for complementarity among themselves and contributed to effective response coordination.
- ❖ **Meaningful Localisation:** the role funds have played to enable localisation, including direct funding to local and national NGOs, their approach towards risk sharing among their partners and themselves, effective capacity strengthening of local and national actors, and ensuring effective local and national voices in pooled fund governance.
- ❖ **Beyond Emergency Programming:** how funds have navigated in sensitive contexts beyond immediate emergency programming, towards early recovery, longer-term assistance, integrated programming, flexibility, and forward thinking.

## Pooled Funds Reviewed

As the research aimed to highlight good practices and lessons learned as relevant to the AFS, a case study approach was used to identify generalisable insights from across the selected funds. A total of 20 pooled funds were reviewed. Among these, eight were selected for a deeper analysis, through both document review and KIIs, based on their relevance to the AFS in terms of size, age, context, and localisation footprint. Please refer to Table 1 for more details.

Data was collected through KIIs and document reviews from the eight selected funds. A total of 21 KIIs were conducted with key individuals in fund governance, organisation, and delivery, as well as donors and local actors (see Table 2 below). The study was conducted over 40 days, and while the timeframe limited the number of interviews, those conducted provided sufficient insights to achieve the research objectives. All interview participants were granted anonymity.

**Table 1: List of Funds Reviewed**

Name:	Geographic Scope	Sectoral Focus	Management	Donors
<a href="#"><u>Aid Fund for Syria (AFS)</u></a>	Syria	Life-saving and early recovery activities (most urgent needs – gap filling)	ASI	UK US France Germany Jersey Netherlands Qatar
<a href="#"><u>Myanmar Nexus Response Mechanism (NRM)</u></a>	Myanmar	Innovative, rights-based programmes across the HDP nexus	UNOPS	EU
<a href="#"><u>Sahel Regional Fund (SRF)</u></a>	Sahel Region	Consortium approaches, research efforts and networks supporting the most vulnerable conflict and displaced communities	DRC	UK
<a href="#"><u>Start Network Funds</u></a> (Global fund, National funds, Start Ready)	Global and National (member based)	<b>Global Start Fund:</b> Rapid response to under the radar small to medium scale disasters. <b>National Funds:</b> Rapid Emergency funds for members in country (Bangladesh, Nepal, Ukraine) <b>Start Ready:</b> Anticipatory funding mechanism for rapid release.	Hosted by Save the Children – now its own Secretariat of 100+ staff.	Multiple donors – the UK is one of the largest.
<a href="#"><u>IFRC Disaster Response Emergency Fund (DREF)</u></a>	Global	Direct funding to national RC/RC both as anticipatory finance and emergency response	IFRC	Multiple donors
<a href="#"><u>Humanitarian Assistance and Resilience Programme Facility (HARP-F)</u></a>	Myanmar	Grant funding and knowledge management platform for the UK	Crown Agents	UK
<a href="#"><u>Somalia Humanitarian Fund (SHF)</u></a>	Somalia	Financing the HRP urgent life-saving interventions – funds primarily NGOs with some UN actors	OCHA	Multi-donor
<a href="#"><u>Ukraine Humanitarian Fund (UHF)</u></a>	Ukraine	Financing the HRP urgent life-saving interventions – funds primarily NGOs with some UN actors	OCHA	Multi-donor



The document review included the policies and strategies published by the funds in the areas of planning, design, and operating standards along with publicly available evaluations and reports. These documents provided insights into the funds underlying principles and decision-making processes and were particularly meaningful when compared *across* funds operating in different contexts with divergent priorities.

**Table 2: Key Informant Interviews**

Description of KII Role	Number	Humanitarian Response or Location
Donor Organisations	3	Syria
Senior Humanitarian Leaders/ Decision-makers	9	Jordan, Myanmar, Senegal, Somalia, Switzerland, Syria, Ukraine
Senior Humanitarian Coordinators	3	Jordan, Syria
Humanitarian Technical Specialists	3	UK, US, Switzerland
Humanitarian Analysts	3	UK, Syria, Türkiye

# **Part 1:**

## **Humanitarian Pooled Funds & the Aid Fund for Syria**

# 1.1 Overview of Humanitarian Pooled Funds

## Defining Humanitarian Pooled Funds

Although there is no official definition of *humanitarian pooled funds* ([NRC, 2017: 7](#) [NRC, 2022: 11](#)) in general the term refers to financing instruments that allow multiple donors to pool resources together to support humanitarian action and/or humanitarian outcomes ([Donor Guidelines, 2024: 6](#)). As flexible financial instruments, structured according to their mandate and donor conditions, pooled funds are increasingly important financing vehicles in humanitarian response, enabling innovation, and timely, targeted and predictable funding to a diversity of actors across the development, humanitarian, and peace nexus.

## Governance and Fund Management

Pooled funds generally have some form of governance structures and a management body either within the fund itself or contracted through a third party ([Thomas, 2017: 9](#)). They disburse funds to selected partners through open funding calls. Partners are often pre-qualified either through some form of membership process or assessment process ([NRC, 2022: 11](#)).

## The Success and Challenges of Pooled Funds

The flexibility of pooled funds, including the opportunity they provide to donors to delegate funding decisions and oversight to a specialised secretariat have in large part driven their success. Pooled funds have also shown to be effective in advancing key humanitarian policy objectives including quality emergency financing and localisation ([Koeppel, 2019: 11](#)).

### As standing funding mechanisms, they:

- ❖ Provide predictable and quick financing for emergency operations, including, for some, in a turnaround time of 48 hours.
- ❖ Are effective in advancing localisation objectives ([NRC, 2022: 6](#)).
- ❖ Enhance ‘flexibility, predictability, stronger risk management, cost effectiveness, promotion of strategic decision-making, and transparency’ ([ICVA, 2023: 10](#)).

Pooled fund mechanisms tend to be more popular with local and national NGOs than with international NGOs, who generally prefer direct donor bilateral funding ([ICVA, 2024](#)). Funds have still to make notable advances in multi-year, nexus programming.

### **Growth and Diversity of Pooled Funds**

The relative success of pooled funds especially with donors has led to an increase in the size and numbers of funds ([ICVA, 2023: 4](#)). The largest network of humanitarian funds, are the UNOCHA (OCHA) Country-Based and Regional Pooled Funds (CBPFs) emerging from the 2005 Humanitarian Reform Agenda ([Koepl, 2019: 11](#)). CBPFs have grown from USD 20 million in a single fund, to USD 1.1 billion allocated across 18 funds including two regional funds ([OCHA, 2024](#)).

CBPFs are run by OCHA under the leadership of the Humanitarian Coordinator (HC) and in consultation with the humanitarian community. CBPF funding is available via an open allocation process to qualified organisations, including from the UN, INGOs and NGOs' ([Koepl, 2019: 6](#)).

In addition to the CBPFs, there is an array of other pooled funding methods, models and approaches both within the wider UN system and beyond. These include:

- ❖ The EU Trust Funds (Bekou Trust fund in CAR, the EU Regional Trust fund to the Syrian crisis)
- ❖ NGO-run pooled funds (START funds, Sahel Regional fund), and
- ❖ Independently administered pooled funds (HARP-F and the AFS)
- ❖ Feminist funds,
- ❖ Refugee led funds,
- ❖ Rapid response mechanisms.

### **The Need for Greater Coordination and Analysis**

Given this rapid increase of funds, there are growing calls for increased coordination among funds, both across sectors and geographically, and a call for funds to leverage and learn from one another. To respond to this need, a Community of Practice of Pooled Funds has been launched to enable pooled fund managers to learn from each other, coordinate donor advocacy and address risks of potential fragmentation in the system.

Although essential funding vehicles, including for fulfilling commitments under the Grand Bargain, there are few comparative analyses among funds, including relative performance against common defined

criteria or indicators and the collection of good practises ([ICVA, 2023: 8](#)). This is particularly true for smaller, non-UN pooled funds with potentially greater freedom to be innovative but less visibility. According to ICVA ([ICVA, 2023: 25](#)), there remains in particular limited assessment and comparative analysis across funds on their impact on localisation, nexus, and accountability.

## **The Humanitarian Response in Northwest Syria**

Northwest Syria (the focus of AFS during the drafting of this report) is marked by a severe and under-funded humanitarian crisis driven by conflict, displacement, and deteriorating economic conditions ([OCHA, Oct 2024](#)). The recent fall of the Government of Syria (GoS) at the beginning of December 2024 has brought hope and increased uncertainty.

### **Challenges in Health, Sanitation, and Living Conditions**

Health and sanitation facilities are weak, IDP camps struggle to access water and other hygiene services. Cold and wet winters exacerbate difficult conditions ([OCHA, July 2024](#)). Destruction wrought by the 2023 earthquakes is a salient feature of the humanitarian landscape. Access into northwest Syria remains complex due to security and political constraints ([ACAPS, 2023: 8](#); [OCHA, Oct 2024](#)). As described in the AFS Gender Equality and Inclusion Strategy the combination of conflict, disaster and health challenges in particular affects women and girls: ‘the Syrian conflict, displacement, earthquakes, and outbreaks of diseases like cholera have all exacerbated existing disparities and created new ones’, which, subsequently, leaves ‘vulnerable communities... to struggle to access essential services and meet their basic needs’ ([AFS GESI, 2023: 13](#)).

### **Impact on Women and Girls**

As highlighted by key informants, civil society organisations play a critical role in the response, with ‘an abundance of diverse civil society actors and national NGOs, ranging from humanitarian to human rights groups’ ([ICVA, 2021: 14](#)). The cross-border nature of the response has ‘provided a unique opportunity for international and national humanitarian actors to develop deeper and more genuine partnerships than were evident in most of the other response structures examined’ ([ICVA, 2021: 14](#)). As operations in northwest Syria have largely been managed remotely, NGOs with strong connections benefit from local acceptance, and local communities place deep trust in these NGOs (KII). Furthermore, the UN ‘heavily relies’ on ‘Syrian partners as the main implementers of [the] humanitarian aid’ response, and while this is ‘often only thought of [as] in-kind assistance’, it is usually ‘forgot[ten] that

the UN relies almost entirely on local partners for important service-orientated projects, [like] health and education’ (KII).

## 1.2 The Aid Fund for Syria

The AFS is a ‘humanitarian multi-donor pooled fund established in October 2022 to meet priority needs in the north of Syria, with a primary focus on the northwest of the country...’ [AFS website](#)). The aim of the fund is to ‘provide complementary, predictable, timely and consistent resources to partners, expanding the delivery of humanitarian assistance to support life-saving and early recovery activities, focusing on most urgent needs and filling critical gaps left by other response instruments. The AFS works closely with affected communities, civil society organisations, the cluster system and the UN to ‘understand where needs are greatest and where it can add most value ([AFS website](#)).

### **Objectives of the Aid Fund for Syria:**

- Saving lives.
- Strengthening localisation, early recovery, and harmonisation.
- Enhancing protection.
- Increasing resilience.

### **Evolution and Expansion of the Aid Fund for Syria**

The AFS evolved in parallel to the SCHF with the aim to complement and be ‘comprehensively supported by’ the SCHF (KII). Both funds have sought complementarity in funding priorities, operating methods and partnership approaches. The AFS began with a focus on northern Syria. With the recent fall of the government of Syria, the Fund has expanded its scope to all of Syria and adopted a corresponding name change to Aid Fund for Syria.

The AFS has grown rapidly, from an initial contribution of USD 25 million in 2022 to a current investment portfolio of USD 118.5 million funded by 7 donors. Allocations have been provided to 40 partner organisations, both international and local/national organisations. The AFS funds through both Regular Allocations and Special Allocations. Its Third Regular Allocation Strategy was launched in November 2024, with two funding envelopes focused on localisation, early recovery, resilience, integration, inclusivity, and accountability to affected populations ([AFS, Third Allocation 2024](#)).

## Governance Structure

The AFS has four key governance bodies, their relationships are mapped out in Figure 1 below:

### ❖ Steering Board and its Independent Chair.

The Steering Board oversees the Fund’s activities, adopts all strategies and policies, and approves allocation decisions. The Steering Board is comprised of three donors, three Syrian NGOs and three INGOs ([ICVA, 2024: 8](#)) and is advised by Women’s Advisory Group (WAG) consisting of women working in humanitarian response in both Syria and Türkiye ([AFS Annual Report, 2023](#)).

### ❖ Partnership Board.

The Partnership Board meets on an ad hoc basis. It is composed of all the Fund’s donors and serves in an advisory capacity to the Steering Board, most notably when consensus cannot be reached in the Steering Board.

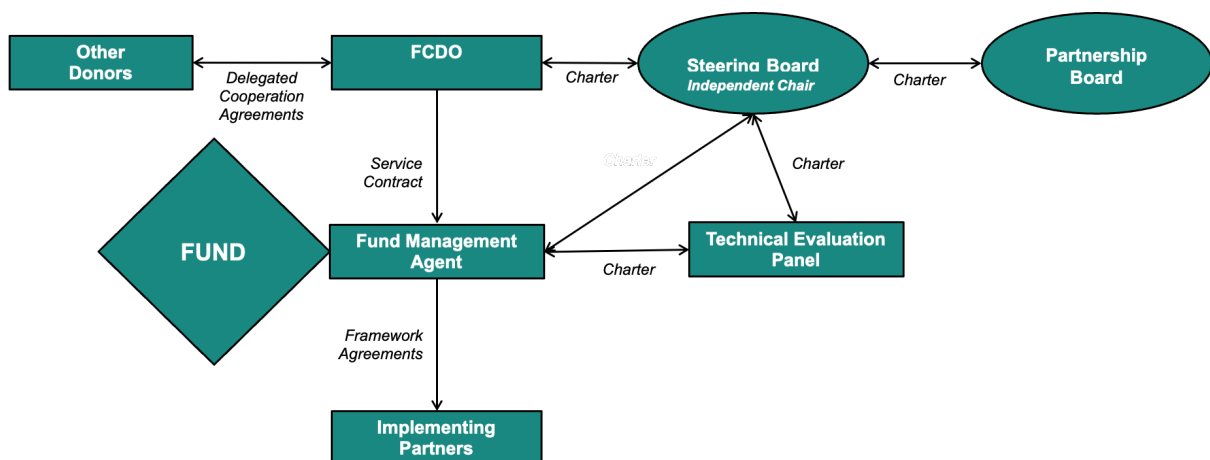
### ❖ Strategic & Technical Review Committee.

The Strategic and Technical Review Committee also meets on an ad hoc basis, providing expert advice to the FMA and Steering Board.

### ❖ Fund Management Agent (FMA).

The FMA, manages and provides the legal status to the Fund. Currently Adam Smith International (ASI) serves as the FMA under contract with FCDO, as selected through a competitive tender process ([AFS FAQ, 2023: 4](#)).

**Figure 1: AFS Governance Structure (AFS Handbook forthcoming)**



## Overview of AFS Policy & Strategy

The AFS is governed by the following key policies and strategies, (please click on the links below to access the full document):

- [Charter, Handbook](#) and [Manual](#) (serving as the key constituent documents of the Fund).
- [Localisation Strategy](#).
- [Gender Equality and Social Inclusion Strategy](#).
- [Accountability to Affected Populations and Community Engagement Strategy](#).
- [Anchor Organisation Concept](#).

### The Aid Fund for Syria's Localisation Strategy

Localisation is the cornerstone of the AFS strategy viewed as critical to fostering the long-term recovery and empowerment of communities. In 2023, 75% of the AFS funding went to Syrian NGOs ([AFS Annual Report, 2023](#)).

**The AFS [Localisation Strategy](#) has for objectives:**

- Secure equitable partnerships and strengthen collaboration between local actors.
- Support knowledge and capacity sharing between actors.
- Increase flow of funding to local actors.
- Enhance the quality of funding for local actors.
- Secure locally led decision making and leadership.

### Shifting Power to Local Actors

In attaining these objectives, the AFS looks to shift power and funding to local actors, promoting assistance in northern Syria that is 'locally led, community centred, demand driven, flexible, sustainable, coordinated and inclusive', ultimately resulting in the most vulnerable communities in northern Syria having a 'powerful and sustainable mechanism for autonomous, community-led humanitarian response and resilience building' ([AFS Localisation Strategy](#)).

The Localisation Strategy is grounded in the AFS' Accountability to Affected Populations and Community Engagement Strategy (AAPCE) and its Gender Equality and Social Inclusion Strategy, as well as the Fund's adherence to the Core Humanitarian Standards.



## Capacity Strengthening and Equitable Partnerships

The Fund emphasises capacity strengthening, including demand driven technical support and the promotion of peer-to-peer support. Specific capacity strengthening budget lines are built into grants as are equitable partnership concepts, including mandatory sharing of overheads among all sub-grant recipients. The Fund also emphasizes the strong voice of local and national actors in its governance and decision-making bodies.

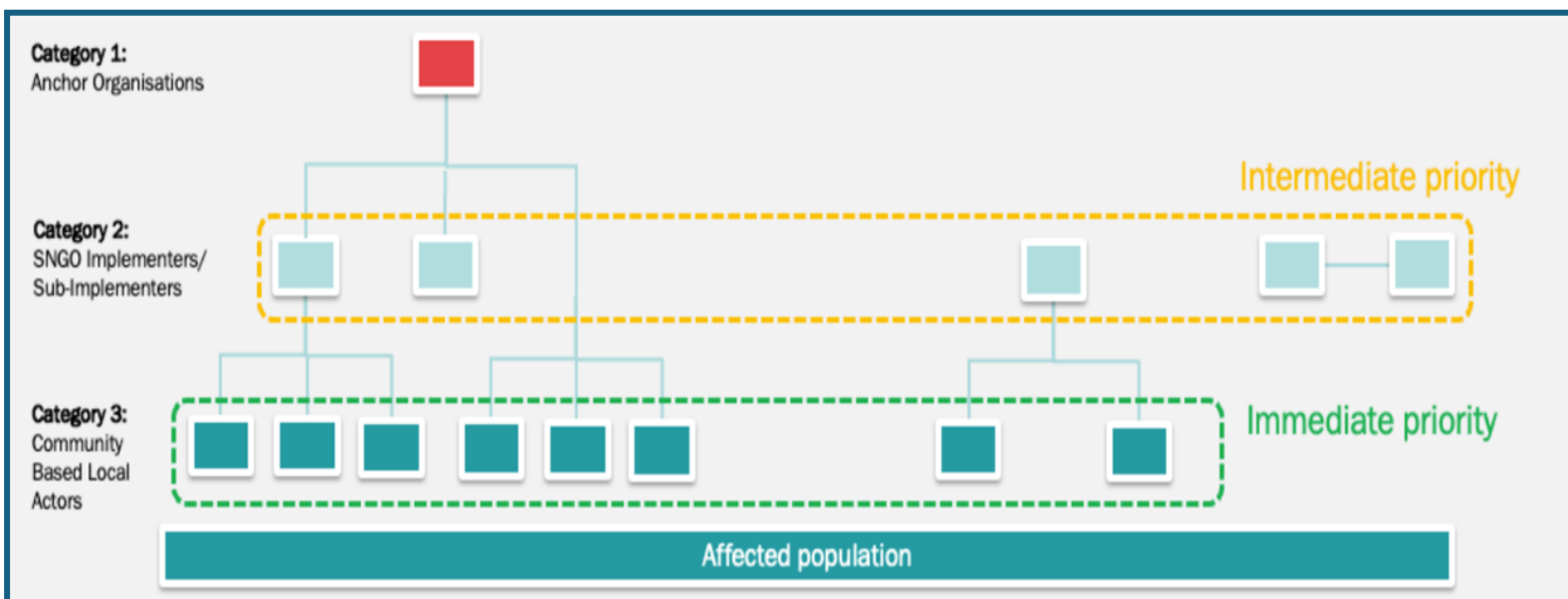
## Supporting Syrian Grassroots Organisations

The AFS has adopted a specific focus on Syrian community-based grass roots organisations. In a recent [AFS mapping](#), 477 community-based local actors working in northern Syria were identified as essential in both response and early recovery. Small and agile, often funded directly by communities and diaspora, these actors respond to communities' needs across the spectrum of humanitarian, development and peace objectives in the region. They are challenged however by operational insecurity, legal and administrative hurdles, limited and transient funding sources, community suspicion and competition. The AFS in their current funding strategy looks to better fund and support these organisations through the concept of Anchor Organisations.

## The Anchor Organisation Concept

An [Anchor Organisation](#) is defined as a 'national or international entity that possesses significant operational capacity, a proven track record in humanitarian response, and embodies localisation by demonstrating 'strong community ties and leadership'' ([AFS, 2024: 2](#)). Anchor organisations serve as direct grant recipients of the AFS and the vehicles through which the AFS can fund and support smaller local and grassroots organisations.

**Figure 2: The Anchor Organisation Concept (AFS, 2024: 1).**



**Qualifications to serve as an Anchor Organisation include:**

- Meet the Aid Fund for Syria funding criteria.
- Ability to manage large scale projects and funds.
- Commitment to localisation and sustainability of outcomes.
- Transparency and accountability.
- Engagement in innovative and adaptive programming.

In addition to designing effective community outreach programs, Anchor Organisations are expected to support small local and community-based organisations to qualify for AFS funding. To support Anchor Organisations, specific performance indicators and monitoring frameworks have been developed as well as risk management frameworks, which among other provisions call for indemnity clauses and reserve funds to insulate the Anchor Organisations from risks of working with smaller organisations.

[\(AFS, 2024: 1\)](#).

Rooted in its approach to localisation is a commitment to work in complement to the Syria Cross-Border Humanitarian Fund (SCHF) and across the humanitarian, development and peace nexus, advancing community resilience, well-being and social cohesion. As most recently articulated in its Third Regular Allocation Strategy, AFS looks to holistically meet community needs through the provision of multi-year grants, meeting both immediate needs and longer-term community-driven investment in resilience building. The Fund also promotes area-based needs assessment and increased coordination and cooperation among sectors, to prevent both duplication of funding between the SCHF and the AFS as well as early recovery and resilience programming.

# **Part 2:**

## **Snapshots of Humanitarian Pooled Funds**

## 2.1 Sahel Regional Fund (SRF)



The Sahel Regional Fund, launched in 2022, provides funding for protection and humanitarian needs across the Sahel and Lake Chad Basin, including to address cross-border and regional dynamics. It is led by NGOs with operational presence across the region ([SRF, \[no date\]: 2](#); [ICVA, 2024: 9](#)).

### Governance & Management

The Fund is governed by a Strategic Board, which includes representation from FCDO (currently the sole donor), DRC and five other INGOs, and three L/NNGOs serving on a rotating basis. The Fund is managed by DRC, who has ruled itself out of allocations to avoid conflicts of interest ([ICVA, 2024: 9](#)).

### Strategic Focus

The aim of the SRF is to respond to needs in ‘under-resourced hard-to-reach’ areas and where NGOs can support acute needs ([SRF, \[no date\]: 2](#)). Rather than replacing country-level or other response mechanisms, it seeks to enhance programming to more comprehensively meet the basic needs of the most vulnerable in these areas.

### Complementarity with Other Funds

Like the AFS, the SRF funding overlaps with OCHA’s Regional Humanitarian Fund for West and Central Africa (RHFwCA), which is currently providing funding to Burkina Faso, Mali and Niger ([RHFwCA, 2023: 6](#)). To improve coordination, the SRF offered OCHA a seat on its board, which was declined (KII).

To ensure complementarity and avoid duplication, the SRF:

- ❖ Uses the **Humanitarian Response Plan** to inform strategic programming decisions (KII).
- ❖ Focuses on **cross-border programming**, funding partners operating on both sides of the border
- ❖ Targets **hard-to-reach**, under-resourced areas, where NGOs have operational access.
- ❖ Strives for **geographic balance** in its support across different areas (KII).

### Long-Term, Flexible, and Predictable Funding

The SRF looks to provide predictable, flexible and long-term funding ([SRF, \[no date\]: 2](#)). It looks beyond the immediate emergency environment to offer more sustainable solutions including program adaptability, resilience building and preparedness. The SRF also offers a longer timeframe than other

funds and expects partners to build programming that addresses ‘root causes’ and promote synergies with development activities [\(SRF, \[no date\]: 6\)](#).

### **Early Recovery and Foresight Analysis**

The Fund sees an early recovery approach as the ‘foundation for building resilience in Sahel hot spots’ [\(SRF, 2024\)](#). The Fund also has a component focused on ‘maintaining relevance through proactive anticipation, using] foresight analysis in relation to current and emerging crises’ and adapting the response to climate change and environmental degradation [\(SRF, 2024\)](#).

### **Adaptive and Flexible Project Design**

In the design of projects it funds, the SRF considers flexibility and the potential evolving needs of communities. The Fund allows for a contingency budget, in the form of a separate budget line that allows partners to increase or modify their response, in response to upscales in violence (KII). The SRF has found that this also helps to reduce the number of modifications that go over the 10% threshold. If not used, this contingency budget line can be absorbed back into the project. SRF has found that this contingency line improves partners ability to respond to shocks and develop preparedness. Additionally, the SRF works hard to remain flexible and communicative, including striving to give feedback in a week (KII).

## 2.2 Myanmar Nexus Response Mechanism



The Myanmar Nexus Response Mechanism (NRM), aims ‘to contribute to lasting peace and national reconciliation, security, stability and sustainable development’ using a nexus approach with three cross-cutting pillars: integration, transformation, and accountability ([NRM, 2020: 2](#); [NRM, 2024](#)).

### **A Nexus Approach for Lasting Impact**

As its name suggests, the NRM focuses on nexus programming. It aims to strengthen the connection between humanitarian, development, and peace initiatives while supporting eight cross-cutting thematic areas, that focus on systemic and institutional change ([NRM, 2020: 10](#)). These cross-cutting themes include areas outside the traditional emergency programming including social cohesion, building climate change resilience, and increasing potential for durable solutions. One of the cross-cutting thematic focuses of the Fund is protection from climate change impacts, looking at adaptation and environmental resilience, avoiding or mitigating potential climate displacement. The areas they support partners in include ‘disaster preparedness, community awareness, early warning systems, and disaster plans’ (KII).

### **Area-Based Programming and Data-Driven Decision Making**

The NRM focuses on area-based programming and meeting ‘the total needs of communities on the area’ ([NRM, 2020: 11](#)). In order to do this effectively, the NRM uses joint assessments conducting in-depth research that looks at conflict dynamics, economic factors, gender, aid response dynamics and to help identify the needs and issues of communities ([NRM, 2020: 11](#)). This analysis serves as the basis for collective outcomes that can be measured over time ([NRM, 2020: 11](#)). This process also enables partners to develop their own programming that fits with the overall outcomes of the fund while still listening to the needs on the ground. Additionally, the NRM has blended funding from both DG ECHO and DG NEAR, which makes it easier to allow for a wide range of activities from their partners (KII).

### **Strengthening Local Response Systems**

The NRM has adopted a strong focus on localisation, roughly 70% of its funding goes to local organisations in Myanmar. Its localisation approach is comprehensive focusing on ‘strengthening local response systems as a whole, rather than only individual local stakeholders’ ([NRM, 2020: 17](#)). The Fund

seeks funding opportunities that provide overall systems strengthening as far as possible ([NRM, 2020: 17](#)).

Funding to local and national NGOs is either provided directly or via consortiums and partnerships where the majority of implementation is undertaken by the national partners. To reach smaller grass roots or community organisations the Fund works through international or national intermediaries, who sub-contract to smaller organisations. Recognising the burden placed on these intermediaries the NRM provides capacity and funding support for the intermediaries. Funding through intermediaries has enabled the local partners to focus on the operational components of the work, i.e., serving communities (KII).

These consortia, partnership arrangements have galvanised networks of organisations supporting each other. The NRM has also supported Myanmar grassroots organisations to form consortia among themselves – with one organisation in the lead and responsible to manage funding (KII). These consortia models fostered peer learning and operational synergies and enabled smaller organisations who could not or did not want to take funding directly from the NRM to directly focus on assistance delivery (KII).

### **Ensuring Complementarity with Other Pooled Funds**

The NRM ensures its complementarity with several funds operating in Myanmar including the OCHA-led CBPF and the UNOPS-managed funds, including the Livelihoods and Food Security Fund (LIFT), the Access to Health Fund and the Joint Peace Fund. Complementarity is achieved primarily through sectoral diversification and formal/informal coordination mechanisms. Coordination is also facilitated due to UNOPS serving as the fund manager for multiple funds.

Risks of funding overlaps are also minimized due to the NRM's focus on area-based programming. In its funding allocations, it selects geographic areas not funded by other partners, and then adopts a nexus programming approach, which is collectively co-designed with its partners. To inform its analysis a third-party service provider informs programming design and decision-making (KII). This is also seen in other funds, such as the Start Fund using the independent assessment body ACAPS for similar purposes ([ICVA, 2024: 7](#)). Data is then cross-checked with partners (KII).

## 2.3 Somalia Humanitarian Fund (SHF)



The Somalia Humanitarian Fund (SHF), a pooled fund established in 2010, is managed by OCHA under the oversight of the Somalia Humanitarian Coordinator ([OCHA, 2023](#)). The Fund emphasises integrated programming, with 89% of its 2023 allocations supporting interrelated needs in specific areas ([SHF, 2023: 13](#)).

### Integrated Programming Approach

The Fund aims to provide households with holistic, coordinated response to overlapping needs. The SHF collaborates with cluster coordinators, sub-national cluster focal points and area-based coordinators to identify critical gaps and prioritise those most in need ([SHF, 2023: 13](#); KII). The consultative process includes several rounds of discussions with clusters and coordinators to identify targeted districts and locations, ensuring joint agreement (KII).

This process has *'improved area-based coordination, communication, and collaboration among clusters and partners, ensuring a comprehensive response to needs'* ([SHF, 2023: 13](#)). The SHF works to ensure an integrated programming approach ([HNRP Somalia, 2024](#)), prioritising household and community needs over siloed sectors to address complex, overlapping challenges. This approach requires extensive coordination, involving several rounds of consultations with key actors, clusters, and the SHF partners before finalising decisions (KII).

### Advancing Localisation

The Fund also sees itself *'as a key vehicle for advancing localisation'* ([SHF Manual, 2023: 4](#)). The SHF allocated 69% of funding to local and national partners in 2023 with 123 national partners eligible to receive its funding ([SHF, 2023: 11-12](#)).

The SHF prioritises direct grants to national actors, supports capacity strengthening needs and ensures fully costed administrative costs (KII). This approach of direct funding ensures that *'partners receive the maximum 7% overhead costs at the project level'* and enhances financial stability, reduces administrative burden and improves budget management ([SHF, 2023: 11](#)). The provision of overheads is seen as critical to enable capacity strengthening and programmatic sustainability.



The Fund provides cross-cutting trainings to partners including on humanitarian principles, protection mainstreaming, and data protection.

### **The Partner Selection Process**

The SHF has seen an exponential growth in grant applications but has limited resources to meet demand. To ensure transparency and manage expectations, a scorecard system was put in place to analyse the strengths and weaknesses of potential partners, and work towards a diverse partner base including women led organisations and minority groups. To enable new organisations to benefit from the fund, a system of 'positive discrimination' was put in place giving an additional five points to the evaluation score card for a new local organisation not yet funded (KII). The Fund struggles to meet demand with limited resources.

## 2.4 Ukraine Humanitarian Fund (UHF)



The Ukraine Humanitarian Fund (UHF) is the OCHA-operated CBPF that has been the key emergency response mechanism in Ukraine. The Fund has funded over 300 Ukrainian NGOs and volunteer groups working as first responders.

### Supporting Local Responders in Hard-to-Reach Areas

At the beginning of the response in 2022, civil society and voluntary organisations were among the few to deliver assistance to hard-to-reach places ([OCHA Ukraine, 2023: 5](#)). The Fund subsequently sought to better support these local actors. By the end of 2022, the UHF had released USD 20 million to support NGOs partnering with Ukrainian NGOs and volunteer organisations ([UHF, 2023: 7](#)). The Fund remained challenged however by the legal barriers of funding unregistered organisations and the short-term nature of their funding ([Noe & Lang, 2023: 11](#)).

### Review and Localisation Strategy

In 2023, the UHF undertook a review providing lessons learned and recommendations on its support to local actors; forming the basis of the UHF's Localisation Strategy Note ([UHF, 2023: 8](#)). In consequence the UHF developed a new office setup placing staff geographically closer to national actors. This 'strengthen[ed] coordination', 'improve[ed] partner relations' and 'reduce[ed] bottlenecks' ([UHF, 2023: 8](#)).

### Phased Approach for Direct Funding to Local CSOs

To directly fund smaller organisations, the UHF adopted a phased approach, selecting a cohort of 17 CSOs based on their operational proposals. These organisations received smaller grants of USD 250,000 with accompanying training and mentoring support. If successful, these organisations could then apply for larger grants ([UHF, 2023: 8](#)). In line with its focus on cultivating innovative solutions and outcomes, the Fund is attempting several new ways of supporting quality partnerships and reducing compliance and administrative burdens, and creating more meaningful relationship building between UN agencies, INGOs and CSOs.

## 2.5 Humanitarian Assistance & Resilience Programme Facility

In 2016, the Humanitarian Assistance and Resilience Programme. Facility (HARP-F) was set up in Myanmar ‘as both a grant-funding mechanism and a knowledge platform for FCDO’ ([HARP-F, 2022; 4](#)). HARP-F closed in 2023.



### **Beyond grant-making: A network hub for Myanmar**

The HARP-F had a unique setup in Myanmar: like the AFS it was operated by a private company (Crown Agents). The Fund provided several types of grants, specifically designed to fund key areas such as aid delivery, rapid response, capacity enhancement, knowledge and innovation – as per partners’ needs ([HARP-F, 2022: 10](#)). Despite a slow start, the Fund was effective in providing funding to local partners and was seen to be adaptable and flexible. The Fund emphasised its role of being more than a financing instrument, serving as an information and network hub that built relationships of trust with partners.

### **Effectiveness and Adaptability**

A 2022 review found that HARP-F effectively supported partners in a dynamic context and build trust through flexibility and communication. The staff were able to adapt as several crises unfolded in the context including COVID-19, a liquidity crisis, and the military coup in 2021. During COVID-19 the Fund was able to provide a ‘rapid grant amendment process’ and provided frequent context analysis for its partners ([HARP-F, 2022: 14](#)). Additionally, during the cash liquidity crisis, the Fund was able to provide a list of other payment options and weekly updates. The relationship between HARP-F staff and partners was seen as collaborative and hands-on ([HARP-F, 2022: 12](#)). Staff were accessible not just by email but also phone. Compared to traditional donors, the Fund was able to make decisions quickly and understood the needs of partners for rapid answers and adaptation.

### **Disaster Risk Reduction**

One area the Fund focused on was building ‘capacity to respond to future humanitarian need through disaster risk reduction (DRR)’ ([Min, 2020: 3](#)). In 2020, a learning report was conducted to collect best practices from nine CSOs that HARP-F supported ([Min, 2020: 3](#)). The report highlighted that DRR was a

new concept for most communities and therefore partners needed to build trust, have regular engagement with stakeholders, and be patient with communities to explain the project ([Min, 2020: 7-8](#)).

To better support partners with technical DRR aspects, the Fund provided expert DRR training ([Min, 2020: 11](#)). DRR was the main theme of all projects and limited to village-level activities enabling a community-based disaster risk management (CBDRM) approach ([Min, 2020: 11](#)). Lastly, one of the key factors of success for the DRR projects and partners was the strong mentoring by the HARP-F staff ‘at every step of project implementation’ ([Min, 2020: 20](#)).

## 2.6 Disaster Response Emergency Fund



The Disaster Response Emergency Fund (DREF), founded by the International Federation of Red Cross and Red Crescent Societies (IFRC), responds to small and medium crises of its member national societies. Its 'resourcing is diverse and includes weather related disasters, earthquakes, volcanic eruptions, social unrest, forced migration and acts of violence' ([IFRC, 2020: 5](#)).

The Fund has **two pillars**, one that supports immediate response and another that supports anticipatory action.

### **Response Pillar: Rapid Financing for Immediate Needs**

The response pillar provides national societies with rapid financing for sudden disasters. It is also considered a stop gap or contingency funding before larger funding instruments can be utilised ([IFRC, no date](#)). The Fund looks to disburse quickly with limited paperwork. The DREF team has developed a quick turnaround averaging eight days to allocate funding for a crisis (KII).

### **Anticipatory Action Pillar: Forecast-Based Action**

The anticipatory action pillar uses *Forecast-based Action* that as per pre-agreed *Early Action Protocols* with national societies supports the increase of activities to mitigate the effects of an event. It is important to note that national societies are still doing preparedness and contingency planning at the national level, but anticipatory actions are to support disasters that teams do not feel they could adequately respond to with the resources they have (KII). National societies have been enabled to think more long-term and use evidence-based planning for future disasters and shocks.

### **Integration with Other Red Cross/Red Crescent Funds**

The DREF complements other Red Cross/Red Crescent funds, focused on capacity strengthening of National Societies. DREF has also recently developed an innovative insurance mechanism that uses commercial markets to make donor contributions to the Fund. Rather than paying directly into the Fund, donors contribute to an insurance premium. In case of excess demand, IFRC can call upon insurance and re-insurance companies to provide immediate funding ([IFRC-DREF Insurance](#)).

## 2.7 Start Funds



The START Global Fund specialises in rapid financing specifically for ‘small-scale crises that often pass unnoticed, but which affect millions of people each year’ ([Start Network, 2024](#)).

### **Funding and Membership**

In 2023, the network had a total of 97 members and 56 of those members were local/national partners with a total USD 11.6 million being disbursed to those partners ([Start Network, 2023: 7](#)). The Fund is known for trying to create systemic change through supporting communities through its financing mechanisms and developing innovative processes ([Start Network, 2023: 10](#)).

One of the main focuses of the Start Fund is to provide rapid and quick funding for crises. Preparedness functionality is built into its organisational fabric ([Stoddard et al, 2017: 2](#)), as well as the pre-approved nature of many of the partner organisations that make up the responders in the network. Members can use it as a rapid response mechanism enabling Start Network members to proactively act when there is a forecast of an impending crisis. Members can also request support for an emerging crisis or supplement programming in areas where they are already responding (KII).

### **Start Ready: Anticipatory Action and Forecast-Based Alerts**

Through its Start Ready programme, the Start Network can be proactive and actively support anticipatory action. A Start Network member or partner can raise an ‘anticipation alert’ to ‘proactively take action when there is a forecast of an impending crisis’ ([Start Fund, 2024](#)). Some of the alerts raised include ‘flooding, heatwaves, cold waves, conflict and displacement, disease outbreaks, drought, volcanic activity and tropical cyclones’ ([Start Fund, 2024](#)). To further support members in creating an anticipation alert, the Start Network has developed ‘hazard-specific guidance notes’ for partners and can connect them to technical advisors ([Start Network, 2023: 20](#)).

# **Part 3:**

## **Analysis & Recommendations**

## 3.1 Lessons Learned & Good Practices

This section presents common practices among the eight different pooled funds reviewed on key thematic lines, namely:

- 3.1.1 Ensuring complementarity and coordination with other pooled funding mechanisms
- 3.1.2 Advancing localisation and accountability
- 3.1.3 Expanding beyond emergency response

It also identifies key lessons learned, best practices, challenges, and recommendations for improving the efficiency and effectiveness of pooled funding.

### 3.1.1 Promoting Complementarity & Coordination:

In contexts with multiple pooled funding mechanisms, three approaches emerged to preventing gaps, avoid duplication and maximise the impact. These are:

- a) Clear delineation between country pooled funds
- b) Establishing formal information sharing channels
- c) Identifying gaps through data sharing

#### a) Clear delineation between country pooled funds

When multiple funds operate in the same humanitarian space, **complementarity is best achieved through differentiation**—whether by sectoral focus, the types of actors supported, specific programming approaches, or funding sources.

#### Examples of delineation include:

- ❖ Nexus and area-based programming: targeting areas not funded by other sources and supporting consortia of actors.
- ❖ Localisation: exclusively funding local and national actors, including smaller grass-root organisations as sub-recipients, and investing in capacity strengthening, despite potentially higher administrative costs.
- ❖ Hard-to-reach areas: prioritising support for remote or inaccessible locations, although this may complicate maintaining a balanced risk portfolio.
- ❖ Private sector investment approach: allocating part of the funding portfolio to projects with the potential to generate profit for social investors and targeting complementary donors or securing



funding from insurance mechanisms or private sector investors, which other funds may not have access to or may find less attractive.

### **b) Establishing formal information sharing channels**

Formal coordination mechanisms among funds are rare, as are structured approaches to information sharing. Information exchange and coordination are typically informal and reliant on personal relationships. It is rare for UN humanitarian response setups to allow for other non-UN funds to gain access to response leadership or coordination platforms. Notwithstanding, to achieve some level of complementarity, active information and knowledge sharing is viewed as critical. Larger funds operating in the same geographic areas achieved greater complementarity when formally linked or managed under common management structures, such as the UNOPS funds in Myanmar, enabling better allocation strategies.

### **c) Identifying gaps through data sharing**

To avoid duplications, address gaps and maximise the use of available resources, funds combined extensive data analysis to identify priority areas that were not being funded. This included reviewing data from independent contractors (such as ACAPS), consulting with affected communities and triangulating with reports from operating agencies. These analyses were often conducted through an area-based assessment lens.

## **3.1.2 Advancing Localisation through Pooled Funds**

The review of Pooled funds has found that they can be harnessed to advance the localisation agenda, as identified through the following promising practices.

### **Key Common Findings:**

#### **a) Local partnership models are context-dependent**

Across the studied funds, there were a variety of localisation and partnership models, driven by operational contexts and the objectives of the fund. The SHF in Somalia provides smaller grants directly to an array of local actors accompanied by capacity strengthening support through an established network of actors. Other funds rely on INGOs to grant to consortiums of local actors. As noted above, the NRM sought an approach centred on the development of mutually supporting ecosystems at the very local level.

## **b) Short projects, short timelines = shortcomings.**

While likely linked to donor funding cycles, a key weakness in certain pooled funds is their inability to offer funding beyond a 6- or 12-month period. Multi-year funding, as per the Grand Bargain discussions, is key for both a predictable community-driven response, as well as enabling capacity development of the local partner. A further complaint among local and national actors to access pooled fund mechanism has been the short time deadlines for both fund application processes and program/project delivery. These short project delivery periods were too often further constrained by delays in contract signature or funding payments.

## **c) LNGOs do not always want direct funding from pooled funds**

For many of the larger funds, including the CBPFs, most of the funding is granted to international actors, primarily INGOs. A portion of this funding is then sub-contracted to LNGOs. While working to lower the access barriers for local and national actors to receive direct funding from these funds, it is important to keep in mind, as seen with the Ukraine and the NRM Funds, that not all local actors, including smaller CSOs or grassroots organisations, wish to receive direct funding from a pooled fund.

For these smaller organisations, with limited resources there is an advantage of being able to focus solely on service provision, rather than spending energy and time on donor compliance and reporting obligations, even if simplified. In addition, from a risk-sharing perspective, being funded under an intermediary NGO, enables these organisations to share or delegate an eventual financial loss to the organisations with 'deeper pockets'. Similar sub-contracting constructs can be organised such that the LNGO can still have direct visibility and communications with the pooled fund secretariat.

## **d) Partnership selection processes matter**

Funding a diverse range of partners, including women-led, grassroots, and minority-based organisations, is often essential for an effective response. Pooled funds have shown to be effective vehicles to fund a diversity of partners, including through consortium and sub-granting arrangements. Often these pooled funds are the only means to provide funding and capacity support to CSOs working in hard-to-reach areas. It is therefore important that the funds find means to fund a diversity of local actors and to avoid that a few organisations do not hold more leverage, power and funding in the response compared to others (KII), creating an imbalance in the system where some smaller organisations are overshadowed or have less space to operate or express opinions.

## **e) Develop cross-pollination around approaches to compliance challenges**

Donor organisations often address crises on a case-by-case basis, leading to inefficiencies as solutions are repeatedly reinvented instead of applying a standardized generalisable package of approaches. Pooled funds operating in complex high-risk environments, with strict sanctions regimes and other regulatory compliance challenges, should emphasise the complementarity of the challenges that they are facing with other funds in similar environments. These types of comparisons could provide more impactful blueprints for interacting in difficult environments. This would have significant implications for meaningful localisation – which can occur in environments that are considered to have above average levels of risk.

## **Emerging Good Practices**

### **a) Building ecosystems over individual agency capacity**

Effective pooled fund-driven localisation approaches prioritise the development of interconnected networks of local actors rather than solely focusing on the capacity-building of individual organisations. Pooled funds can play a critical role in convening and supporting consortiums that bring together local and international NGOs to leverage diverse expertise and resources. This approach is seen as effective as it strengthens local leadership and enhances collective problem-solving and sustainability.

#### **Examples of this approach include:**

- ❖ AFS Anchor Organisations Model – This initiative strategically supports well-established local organisations to function as intermediaries, building networks of smaller local partners.
- ❖ NRM’s Network Approach – This model creates quasi-consortia of grassroots organisations, fostering peer learning, balanced partnerships, and collective action. It strengthens community-driven solutions and ensures a more holistic, area-based humanitarian response.

### **b) Addressing power imbalances in fund governance bodies**

ICVA has identified that too often LNGO representation on fund governance bodies is tokenistic. The LNGOs on these bodies are often not clear on their role and mandate, do not have terms of reference, and find themselves only rubber-stamping decisions, rather than expressing their concerns or sharing priorities. To ensure effective representation, LNGOs should be clear on their mandate, and be properly onboarded.

Fund governance bodies must also be sensitive to power imbalances, including creating safe spaces for local actors to challenge their potential donors, and ensuring resources are available to adequately

prepare for meetings. Governance mechanisms should also proactively engage with local actors outside of formal meetings to ensure that organisations feel empowered and listened to.

### **c) Promoting proximity for contextually grounded outcomes**

Funds that were physically closer to the areas of operation and to their local partners had a clearer picture of the environment in which they were providing funding. This was the experience of the NRM in Myanmar and the UHF in Ukraine. Proximity can be achieved either through posting members of the fund's secretariat in field locations, or through regular field visits. Joining the grantees in discussions with affected communities, regular visits to the programs of local and national partners and ensuring regular and open dialogue were also viewed as good practises.

### **d) Quality partnerships with INGOs lead to more effective outcomes**

Funds that provide quality partnerships and break down hierarchical structures between all partners (UN agencies, INGOs, and LNGOs) tend to be more inclusive and provide better support for localisation outcomes. More successful localisation outcomes came from LNGOs being treated as equal partners rather than service contractors. As seen with the NRM, local actors were given the space and flexibility and opportunities for learning and visibility. Another example of good practice included the provision of flexible budget lines to help local partners manage contingency needs and costs, or pivot programming to meet emergency needs.

Linked to quality partnerships are effective risk assessment and sharing models. Good practise among funds includes seeing LNGOs as *partners working in high-risk environments*, rather than sources of risk themselves. In this logic, the UHF experimented with substituting standard capacity assessment/due diligence processes, with the selection of partners only based on their operational offers. These partners were given smaller grants and mentorship. If successful they could move to larger grants. The AFS has adopted a model of risk sharing, in their Anchor Organisation concept, including specific risk mitigation clauses for partners sub-granting to smaller agencies.

## **3.1.3 Beyond Emergency Programming**

As humanitarian crises become increasingly protracted and complex, pooled funds are evolving beyond short-term emergency response to incorporate longer-term, adaptable, and development-oriented approaches. Several funds reviewed demonstrate how blended humanitarian and development financing, knowledge-sharing platforms, and preparedness planning can enhance sustainability and resilience in crisis-affected areas.

### **a) Blended development and humanitarian financing**

The NRM provides a strong, albeit unique, example of blending humanitarian and development financing. These blended finance streams enable the Fund to both respond to rapidly changing emergency contexts and adopt holistic **area-based programming** built by the funding partners themselves, addressing both humanitarian and development needs. In terms of localisation, this flexible funding can be utilised to help local actors more meaningfully interact with their context.

### **b) The need for an information and knowledge platform**

The creation of a pooled fund-operated information and knowledge management platform can be a useful way to better understand evolving needs. Several funds present great examples of using information and analysis through third party service providers, clusters, and partners to better align strategic priorities and needs of communities. While these platforms can have clear and obvious benefits for localisation outcomes, they can also develop proactive anticipatory and foresight analytics, linking emerging threat indicators on the ground to increased funding.

### **c) Preparedness and contingency planning**

Preparedness and contingency planning are regularly part of an NGO's strategy and structure. This is usually supported by NGO staff, leadership and technical support services, but is not regularly funded. As contexts continue to rapidly evolve it is important now more than ever that NGOs can be forward thinking and plan for potential future shocks, as well as climate resilience support. Using data to define early warning signals and triggers to support communities to mitigate shocks such as floods, droughts, and upticks in violence, is increasingly important. As shown in the above examples with the DREF and SRF, funds are beginning to support this forward-thinking approach by funding specific activities, including anticipatory action funding and/or allowing a flexible budget line for contingency planning.

### **d) Allow partners to design programming**

Meaningfully listening to partners with regards to programming design is critical. Not all funds can do programming like the NRM, but many can allow more consultations with and decisions-making by their local partners. In addition to formal consultation processes, and building the grants with partners, another key element is fund staff understanding the needs of their partners and remaining accessible. For some funds this happens through staff being physically close to the partners. While other funds

work to make sure they are accessible to partners, responding in a timely manner to emails, providing their phone numbers, and spending significant time mentoring partners.

## 3.2 Recommendations

The following section outlines key recommendations for the pooled funds in general and the Aid Fund for Syria specifically.

### ❖ **Be more than a financing instrument**

**Successful Funds go beyond financing by building strong relationships with grantees, advocating for local actor inclusion, and positioning themselves as knowledge hubs. Their external communication focuses less on funding and more on thought leadership in key policy areas such as localisation and nexus programming.**

**For the AFS:** The AFS should continue strengthening its role as a thought leader by systematically documenting and sharing lessons learned, highlighting its area-based approaches, and outcomes, especially those derived from its multi-year grants and its Anchor Organisation approach. This could include publishing policy briefs, engaging in regional and global discussions on pooled funding, and establishing a dedicated platform for grantees to share experiences and best practices.

### ❖ **Push the boundaries of innovation and creativity**

**Pooled funds are well positioned to drive innovation. Key areas for innovation include developing new ways to reach affected populations, accelerating funding allocation for sudden-onset crises, and piloting anticipatory action initiatives. Many funds diversify their financing through sector-specific allocation windows (e.g., health, education) or response-specific windows (e.g., emergency, small-scale crises).**

**For the AFS:** The AFS could introduce targeted funding windows to support innovative programming, such as early recovery, resilience, and anticipatory action.

### ❖ **Blend financing for a diversity of programming**

**Funds that combine different sources of financing—humanitarian, development, and private sector—tend to be more flexible and innovative in their programming. Further, they are enabled to**

**provide multi-year financing over a wider scope of activities, better responding to community needs.**

**For the AFS:** The AFS should look to develop alternative financing models, such as including development actors, matching funds, insurance mechanisms or social impact investments. It could also enhance its sustainability and responsiveness through partnerships with private sector actors and social investors. Establishing a pilot initiative to test blended financing approaches, such as risk-sharing mechanisms with private insurers, could expand its reach and sustainability.

#### **❖ Adaptability and flexibility essential in supporting evolving crises**

**The most effective funds remain agile with quick disbursement times and adaptive processes. Slow decision-making and rigid structures can hinder crisis response. In addition, funds that break down hierarchical structures and work closely with grantees in open, trust-based relationships are more effective, as are funds which translate this flexibility into program design and budgets.**

**For the AFS:** The AFS should streamline its allocation process, ensuring faster disbursement mechanisms for rapid-onset crises. A dedicated emergency response window with simplified application procedures could improve flexibility while maintaining accountability. The AFS should institutionalise regular engagement with grantees, such as peer-learning forums, mentorship initiatives, and joint problem-solving sessions. The AFS should review with its funding partners, the flexibility provided in both its programming and budgets, including considering the need for specific contingency budget lines.

#### **❖ Facilitate anticipatory action and preparedness**

**Humanitarian actors increasingly use predictive analytics, early warning systems, and anticipatory action to prevent crises from escalating. Some funds have dedicated financing streams for preparedness, including stock pre-positioning and awareness campaigns.**

**For the AFS:** The AFS could allocate specific funding for preparedness and anticipatory action, supporting partners in scenario planning, pre-positioning critical supplies, and developing crisis response frameworks. Establishing a data-driven early warning mechanism could enhance its strategic decision-making.

### ❖ **Build effective consortiums and networks**

**Critical to meeting community needs, including through area-based programming, is to support and launch consortiums among local and national actors, including grass roots organisations. In addition, successful pooled funds create communities of practice, foster long-term partnerships, and build trust through transparency and accessibility.**

**For the AFS:** In the development of its Anchor Organisation concept, the AFS could consider increasing its expertise and support to its partners in consortium-building, including helping partners effectively leverage the value add of each other and engage in effective task- and risk-sharing. Technical support and mentoring could be provided in consortium-building, with partners such as the Share Trust. The AFS could also look to create communities of practise among its grant and sub-grant recipients and actively participate in the ICVA Community of Practice of Pooled Funds. AFS could consider strengthening its collaboration with SIRF and the Northwest Syria NGO Forum to further enhance networking and knowledge exchange.

### ❖ **Listen to local partners**

**Pooled funds are uniquely positioned to engage, advocate for, and empower local actors. Effectively listening to their local partners is critical in this regard. Feedback mechanisms should be put in place, both to ensure quality funding, as well as capacity strengthening support promoting locally led development.**

**For the AFS:** The AFS should formalise regular consultations with local partners, ensuring they have an effective voice in funding decisions. Establishing a “Local Partner Advisory Board” could enhance participation, while increased investment in capacity-strengthening initiatives would strengthen long-term sustainability. The AFS should regularly consult with its local partners, to ensure these means of participation effectively enable local voices to be heard.

### ❖ **Manage funding expectations**

**As the funding environment continues to shrink globally for humanitarian aid, it is critical that funds consider how many partners they can realistically support and avoid raising unrealistic expectations. Some funds have been challenged with lowering barriers to entry, and the consequent management of many eligible organisations with limited and dwindling financing.**



**There is a need to find a continual balance between managing multiple smaller grants at higher cost (and risk), with the relative cost effectiveness of fewer grantees and larger grants.**

**For the AFS:** The AFS should assess its partner portfolio to ensure sustainable support. It should also actively engage with its donors, growing both the Fund's portfolio of grantees with anticipated funding.

#### ❖ **Ensure regular strategic and operational reviews**

**Funds that conduct regular evaluations of processes, partnerships, and structures tend to be more effective and innovative. Engaging grantees and stakeholders in reviews ensures accountability and continuous improvement.**

**For the AFS:** The AFS should institutionalise biannual strategic reviews, incorporating feedback from partners and affected communities. Creating an independent advisory group to assess the Fund's performance and recommend improvements could enhance learning and impact.

#### ❖ **Establish formal mechanisms of coordination between funds.**

**Complementarity between funds is discussed in several country contexts, but there are few formalized coordination mechanisms. To ensure systemic coordination, strategic alignment and regular information sharing, formalising the relationship between funds and regular meetings between fund managers, is critical.**

**For the AFS:** If required, the AFS could further formalise its coordination framework with SCHF and other relevant funds, including structured meetings, shared reporting mechanisms, and joint funding opportunities.

#### ❖ **Promote learning among funds**

**One of the constants that emerged from the case studies was the diversity of approaches towards similar challenges. More effective connections between funds would advance mutual learning and scaling of good practices. This is particularly true for localisation, a shared objective among multiple funds.**

**For the AFS:** The AFS should proactively engage with other pooled funds through learning exchanges and joint research initiatives. Participating in global pooled funding networks, such as the ICVA-hosted Community of Practice, could enhance knowledge-sharing and strategic alignment.

## Acronyms

- AAP** – Accountability to Affected Populations
- ABA** – Area-Based Approach
- AFAD** – Disaster and Emergency Management Authority (Türkiye)
- AFS** – Aid Fund for Syria
- ASI** – Adam Smith International
- BCP** – Border Crossing Point
- CBPF** – Country-Based Pooled fund
- DRC** – Danish Refugee Council
- DREF** – IFRC Disaster Response Emergency Fund
- DRHC** – United Nations Deputy Regional Humanitarian Coordinator
- DG ECHO** – Directorate-General for European Civil Protection and Humanitarian Aid Operations
- DG NEAR** – Directorate-General for European Neighbourhood and Enlargement Negotiations
- FCDO** – UK Foreign, Commonwealth & Development Office
- FMA** – Fund Management Agent
- GoS** – Government of Syria
- GoT** – Government of Türkiye
- HARP-F** – Humanitarian Assistance and Resilience Programme Facility
- HNAP** – Humanitarian Needs Assessment Programme
- HTS** – Hay’at Tahrir al-Sham
- HRP** – Humanitarian Response Plan
- IDP** – Internally Displaced Person
- INGO** – International Non-Governmental Organisations
- IP** – Implementing Partners
- KII** – Key Informant Interview
- LIFT** – Livelihoods and Food Security fund
- LNGO** – Local Non-Governmental Organisations
- NA** – National Army (also known as the “Syrian National Army” elsewhere)
- NGO** – Non-Governmental Organisations
- NRC** – Norwegian Refugee Council
- NRM** – Myanmar Nexus Response Mechanism
- NWS NGO Forum** – Northwest Syria NGO Forum

**OCHA** – United Nations Office for the Coordination of Humanitarian Affairs

**RHFWCA** – Regional Humanitarian Fund for West and Central Africa

**SHF** – Somalia Humanitarian fund

**SCHF** – Syria Cross-Border Humanitarian Fund

**SCI** – Save the Children International

**SIG** – Syrian Interim Government

**SIRF** – Syria International NGO Regional Forum

**SNGO** – Syrian Non-Governmental Organisations

**SRF** – Sahel Regional Fund

**SSG** – Syrian Salvation Government

**TPM** – Third-Party Monitoring

**UN** – United Nations

**UNOPS** – United Nations Office for Project Services

**UNSC** – United Nations Security Council

**WoS** – Whole of Syria



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