

ANNEX

INTERMEDIARY MODELS TO ADVANCE LOCALLY LED HUMANITARIAN ACTION LOCAL INTERMEDIARY PROFILES

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TABLE OF CONTENTS

MODEL 1: SINGLE LOCAL INTERMEDIARY	1
The Abot-Kamay Community Solidarity Fund in the Philippines	1
Sudanese Development Call Organisation	2
Friendship Support Association in Ethiopia	3
Joint Strategy Team and the Local Flexible Funding Mechanism in Myanmar	5
MODEL 2: NETWORK OF LOCAL INTERMEDIARIES	5
Local Intermediary Actor Network in Myanmar	6
Humanitarian Aid International in India	7
The Nigeria Local Coalition Accelerator	9
MODEL 3: NETWORK OF MUTUAL AID/COMMUNITY EFFORTS	10
The Localisation Coordination Council for the Emergency Response Room System in Sudan	10
MODEL 4: MULTI-COUNTRY LNA NETWORKED POOLED FUNDS	12
The NEAR Change Fund	12

MODEL 1

SINGLE LOCAL INTERMEDIARY

THE ABOT-KAMAY COMMUNITY SOLIDARITY FUND IN THE PHILIPPINES

What is the mechanism? The Abot-Kamay Community Solidarity Fund (ACSF) is a locally led funding mechanism hosted by the Center for Disaster Preparedness Foundation (CDPF), a Filipino non-governmental organisation (NGO) serving as a national intermediary. ACSF empowers grassroots organisations to advance their self-determined priorities by harnessing community assets and providing tailored financial and non-financial solutions and support. As a flagship grantmaking initiative of CDPF, the ACSF was designed and developed with the support of the Assets, Agency and Trust (AAT) consortium. This consortium brought together like-minded organisations – CDPF, the Global Fund for Community Foundations (GFCF), the Nonprofit Finance Fund (NFF) and GlobalGiving (GG) – to explore innovative approaches to civil society organisation (CSO) domestic resource mobilisation in the Philippines, focusing on community-led philanthropy. CDPF sees community philanthropy as a space to flex collective social muscle, including participation, accountability and rights claiming.

How does it function (how is it locally led)? The ACSF employs locally led approaches to funding:

- **Application process:** Proposals can be submitted in local languages or video formats, with no strict templates or predetermined direction, ensuring accessibility for grassroots groups.
- **Community selection committee:** Community leaders from diverse sectors drive decision-making, ensuring grants reflect local priorities.
- **Conversational due diligence:** The trust-building 'Getting to Know You' process reframes traditional due diligence. It focuses on understanding the mission and work of organisations, fostering mutual understanding and flexibility, and on providing smaller initial grants that grow based on proven success.
- **Tailored capacity sharing:** Inspired by survivor- and community-led response (sclr), this demand-driven, capacity-sharing model allows grantees to identify their own capacity-building needs. In the first phase, these included negotiation skills, storytelling and long-term strategy planning.
- **Learning-centred monitoring and evaluation (M&E):** M&E prioritises capturing lessons and community-level changes rather than rigid reporting structures. Instead of relying on external goals with predetermined indicators, ACSF prioritises locally relevant measures based on Filipino values, community-driven change and grantees' self-defined goals.
- **Cross-partner learning:** ACSF fosters knowledge exchange and solidarity among

grantees through gatherings and discussions, promoting trust and stronger relationships within the cohort.

- **Sustainability focus:** The funding encourages local resource mobilisation and supports grantees to secure additional resources from government and private sectors, contributing to long-term sustainability.

What challenges exist? The ACSF's efforts to promote equitable funding mechanisms is constrained by its pilot nature and the lack of ongoing donor support. The initiative's dependence on the United States Agency for International Development's (USAID) Local Works programme ended without a clear plan for continuation, leaving CDPF struggling to secure new funding aligned with the ACSF's transformative vision.

What opportunities exist? The ACSF pilot disbursed \$375,000 to 32 grantees across the country. These funds further mobilised over \$529,440 in community contributions, demonstrating grassroots organisations' ability to amplify financial resources. CDPF has also managed millions in funding for other projects and is currently planning to serve as fiscal sponsor for a regional pooled fund for eight countries sponsored by the Network for Empowered Aid Response (NEAR). Scaling this pilot requires gradual, strategic growth to maintain trust-based partnerships and community-centred impacts. Successful scaling must be supported by long-term, flexible funding that fosters trust, equity and risk-sharing between local intermediaries and donors. As the demand for funding in grassroots communities grows, CDPF's existing infrastructure and relationships with local partners position it well to expand its reach—especially if it continues to build on its established networks and trust-based partnerships.

More information

SUDANESE DEVELOPMENT CALL ORGANISATION

What is the mechanism? The Sudanese Development Call Organisation (NIDAA) is a non-profit organisation registered in multiple countries, including Sudan, Uganda and Tanzania. NIDAA's background has played a significant role in shaping its policy towards localisation. NIDAA was founded by a group of young university graduates and students who believe that, when well-trained and equipped, young people and professionals can lead change in their societies. As a result, NIDAA is dedicated to strengthening the capacity of local people and community-based organisations (CBOs), and supporting them to lead and sustain change. NIDAA provides grants as group cash transfers and various types of cash assistance to grassroots organisations that support youth, women and people with disabilities. The organisation also focuses on programme implementation and capacity-strengthening. Key activities include distributing multi-purpose cash assistance (MPCA) to households affected by the Sudan crisis, coordinating local emergency response efforts, and addressing food insecurity.

How does it function (how is it locally led)? NIDAA employs several locally led approaches to disburse funds to local actors:

- **Decision-making:** NIDAA's Chief Executive Officer (CEO) is a Sudanese woman and the organisation's leadership is composed entirely of Sudanese nationals. Decision-making responsibilities lie with this organisation's leadership team.
- **Grant application:** Grants are issued to grassroots organisations, self-help groups and organisations focusing on issues related to women, youth and people with disabilities. Grant amounts range from \$4,000 to \$9,000.
- **Disbursement:** Thematic calls for proposals are made when funds are available for disbursement.
- **Flexibility:** Grantees help shape the direction of NIDAA by being invited to three-yearly strategy workshops. They are also invited to provide input on the sectors that they would like to allocate grants to.
- **Capacity-strengthening:** NIDAA's capacity-sharing efforts do not focus solely on strengthening grantees. Instead, it takes a broader approach by ensuring that it strengthens the capacity of the communities which grantees serve. NIDAA emphasises work with grassroots organisations and also ensures it works with organisations supporting women and youth.

What challenges exist? Despite having policies in place on how overhead costs are shared with grantees and their involvement in programme design, NIDAA usually has to negotiate with donors to ensure they accept the Group Cash Transfer modality. Some grantees may struggle to comply with certain donor requirements, leading to compliance risks. This highlights the need to strengthen grantee capacity in areas such as finance, reporting and implementing operational mechanisms to help them meet donor requirements.

What opportunities exist? NIDAA has received over \$500,000 in funding over two years. It has established clear policies and processes to engage with both grantees and the communities they serve. With operations already spanning multiple countries, NIDAA is well positioned to expand its role as an intermediary through its multi-purpose cash assistance work, particularly as the ongoing crisis in Sudan may further increase the need for aid in affected areas.

More information

FRIENDSHIP SUPPORT ASSOCIATION IN ETHIOPIA

What is the mechanism? Friendship Support Association (FSA) is a non-profit founded by Dr Mesfin Woldemariam, an Ethiopian human rights activist and scholar. He established FSA to focus on social development and support for vulnerable communities in Ethiopia. FSA serves as a local intermediary, providing grants to grassroots organisations, women's organisations and youth groups. The organisation's primary functions include implementing programmatic work and fostering connections with local groups. Areas of focus include education, water,

health and livelihoods. In partnership with the Ministry of Education, FSA builds schools and trains teachers. In the water sector, it develops conflict-sensitive water points. For health, the projects focus on maternal and child health, while livelihood interventions aim to build resilience in communities.

How does it function (how is it locally led)? FSA employs several locally led approaches to disburse funds to local actors:

- **Decision-making:** The organisation is led by a board of individuals with expertise in various sectors. Board members are appointed by the general assembly based on their understanding of the organisation, their affiliation with the target communities, and their knowledge of the local context. The general assembly heavily influences the board as it includes representatives of target communities. FSA has a male CEO who is an Ethiopian national.
- **Grant application:** Grants are issued to grassroots organisations, self-help groups and women's organisations, and usually amount to above \$50,000.
- **Disbursement:** Open calls for proposals are conducted, after which one-time grants are issued. Follow-up is carried out and grantees are then referred to financial institutions for additional resources to support future activities.
- **Flexibility:** FSA works with member organisations to systematically improve compliance.
- **Capacity-strengthening:** Capacity-sharing is provided to grantees on the organisation's risk management and compliance processes, as well as those of the donor. Their capacity-sharing efforts extend to local communities and they often conduct training and capacity-sharing activities for local stakeholders. This ensures that communities can manage and sustain the programmes which FSA funds after the initial implementation.

What challenges exist? As a grant-making organisation, FSA and its grantees face financial, compliance, capacity, reputational and operational risks. Grantees sometimes lack the human resources and ability to comply with some donor requirements. Furthermore, grantees from grassroots organisations and community structures may lack strong governance structures, including clear policies, financial controls or accountability mechanisms which would enable them to receive grants and implement programmes.

What opportunities exist? Over the past two years, FSA has secured its largest grant to date, exceeding \$500,000. As a regranting organisation its average grant size is above \$50,000, demonstrating its capacity to manage substantial funding. FSA supports a diverse range of organisations that address various issues and have broad impact. FSA is therefore well positioned to scale up in response to additional funding, having established robust governance structures, risk management frameworks and comprehensive compliance policies. Its human resources are also equipped to handle growth. The general assembly, integral to its governance system, ensures accountability to local communities, further emphasising its capacity for expansion.

More information

MODEL 2

NETWORK OF LOCAL INTERMEDIARIES

JOINT STRATEGY TEAM AND THE LOCAL FLEXIBLE FUNDING MECHANISM IN MYANMAR

What is the mechanism? The Local Flexible Funding Mechanism (LFFM) is a locally led funding model launched in 2021 by the Joint Strategy Team (JST), a network of 10 national organisations in Myanmar. Operating across the humanitarian–development–peace nexus, the LFFM directly funds local organisations and community-based groups in Kachin and Northern Shan state. It uses a flexible system that includes bottom-up capacity-sharing, offering an alternative to traditional international intermediary funding. By leveraging its extensive local structures, the JST satisfies donor expectations for scale and agility while providing a contextualised approach led by local actors in Myanmar’s most volatile regions. It operates in ethnic-minority languages, making the fund far more accessible for hyper-local groups.

- **How does it function (how is it locally led)?** The LFFM employs several locally led approaches to disburse funds to local actors:
- **Decision-making:** Inclusive Screening Committees with gender-balanced and ethnically diverse representation oversee grant decisions, fostering civil society ownership and trust.
- **Grant application:** Simplified processes in local languages enable accessibility for community-based actors. Grants range start from \$3500 up to \$30,000, prioritising women-led and community-based organisations across diverse ethnic groups.
- **Disbursement:** Three grant types – regular (12 months), emergency (short-term) and direct small grants – allow rapid and flexible responses. Emergency grants are processed within days, ensuring timely support.
- **Flexibility:** Activities can be adapted to meet emerging needs, are demand-driven without predetermined project directions, and are supported by tailored safety budgets and low-profile strategies essential in Myanmar’s security context.
- **Capacity-strengthening:** Grantees co-develop capacity strategies with JST, focusing on technical skills, management and resource sharing. Local language training and mutual support networks enhance participation and psychosocial well-being.

What challenges exist? The LFFM faces challenges in supporting affected communities. Small organisations need more time to apply for grants, and one-year

funding doesn't address ongoing needs. Instability increases demand and complicates operations, with risks like data storage and the military systematically targeting aid workers. Mandatory civil society registration adds further risks, though LFFM helps grantees navigate this. To meet ongoing needs, funding should be expanded and grants extended. Cash flow management remains a major challenge, with limited access to bank transfers and cash in volatile contexts, while the military seeks to assert control over all financial flows in the country.

What opportunities exist? Since its launch in 2021, the LFFM has gone through phases of funding, growing from an initial \$600,000 pilot to a \$2.4 million programme. This growth is supported by a decade-long trusted relationship with the United Kingdom's Foreign, Commonwealth and Development Office (FCDO). Operating extensively in Kachin and Northern Shan, the LFFM has reached over 245,000 people with 64 grantees. A recent independent survey highlights the system's efficiency, with 85% of grantees preferring the LFFM process over traditional grants and over 50% expressing readiness for additional funding. Though scaling presents challenges such as visibility in a restricted context and the need for more overheads to strengthen reporting and compliance systems, the LFFM has received longstanding institutional strengthening support from multiple INGOs committed to localisation. The mechanism's ability to provide micro- and nano-level grants in local languages fosters strong community relationships, enhancing both access and programming quality. The LFFM presents an opportunity for donor coordination around funding to advance the localisation of humanitarian responses.

LOCAL INTERMEDIARY ACTOR NETWORK IN MYANMAR

What is the mechanism? The Local Intermediary Actor Network (LIAN) was established in 2022 as a national platform for coordination and collective action among Myanmar's 14 largest national NGOs, which already act as local intermediaries by channelling direct donor funding to frontline groups. LIAN aims to address barriers to working through local intermediaries by advocating for better systems, supporting sub-granting processes, promoting risk-sharing protocols and conducting evidence-based research on localisation. Through its advocacy role, LIAN has gained donor recognition and contributed to global conversations, including Grand Bargain meetings.

How does it function (how is it locally led)? LIAN employs approaches to foster locally led coordination and funding systems:

- **Decision-making:** LIAN integrates CSOs into official coordination mechanisms. It has hosted its own national coordination meeting, inviting the humanitarian country team and reshaping expectations about decision-making power.
- **Compliance and risk management:** The network simplifies compliance processes, acts as a buffer for due diligence and advocates for flexible funding systems.
- **Due diligence passporting:** LIAN is designing a system to transfer compliance credentials from donors to local NGOs, reducing barriers for grassroots actors.

- **Capacity-sharing:** LIAN prioritises an accompaniment model for long-term organisational growth, addressing real needs through tailored support instead of top-down training.
- **Equitable practices:** The Local Perceptions on Partnering Index is a locally led and developed tool designed to assess localisation and partnership progress among international and local intermediaries.

What challenges exist? LIAN faces numerous challenges in Myanmar's volatile and restrictive environment. Balancing visibility and security is critical – while visibility supports fundraising, it also heightens risks such as suppression by the military junta. Strict international compliance requirements marginalise local organisations, undermine their autonomy, and create real harms by increasing the security and political risks they face.¹ Meanwhile, operational and security risks disproportionately burden local actors with minimal external support. The network's inability to register due to the military junta's restrictions complicates funding access, especially when donor requirements lack flexibility, forcing reliance on member organisations' financial systems.

What opportunities exist? LIAN has secured \$600,000 in donor funding and piloted a pooled-fund mechanism, though much of its work centres on coordination, capacity-sharing and advocacy for local intermediaries and civil society more broadly. Upcoming initiatives for the network include expanding the secretariat, advancing innovations like the Due Diligence Passporting system and Local Perceptions and Partnership Index, and potentially establishing a pooled fund outside Myanmar. However, scaling efforts come with risks, including heightened visibility, resource strain and replicating inefficiencies of traditional aid systems. To mitigate these, donors are encouraged to provide core, multi-year and flexible funding to strengthen institutional capacity. While various members are strong in equitable sub-granting, LIAN's core strength as a network lies in coordination, capacity-sharing and advocacy. As such, it offers opportunities for donor collaboration on compliance, regulatory support, and evaluation and learning.

More information

HUMANITARIAN AID INTERNATIONAL IN INDIA

What is the mechanism? Humanitarian Aid International (HAI) is an NGO registered in India in 2016, with its headquarters in New Delhi. It was founded by Sudhanshu Shekhar Singh, an Indian who also serves as its CEO, to address global humanitarian needs and advocate for rights-based approaches in programme management. The organisation acts as a local intermediary by funding initiatives through both international and domestic sources. As a non-profit, it has been supporting communities at risk and affected by disasters across the country. HAI's strategy

¹ Local Intermediary Actor Network & University of Melbourne (2024) 'When compliance does harm'. Naypyidaw: Progressive Voice Myanmar (<https://progressivevoicemyanmar.org/wp-content/uploads/2024/05/Compliance-Briefing-Paper-FINAL-FOR-DISTRIBUTION2-1.pdf>).

focuses on reducing disaster risk through anticipatory risk mitigation programmes and technology-enabled environments.

How does it function (how is it locally led)? The organisation raises funds from individual donations, public donations, private philanthropy and international NGOs. It hosts the Local Organisation's Coalition for Advancing Localisation (LOCAL) platform with more than 15 local organisations as members.

HAI employs several locally led approaches to disburse funds to local actors:

- **Decision-making:** HAI has seven board members, all of whom are Indian nationals, and two of whom are women. Grantees are involved in governance through the formation of several consultative committees. It also involves target communities in governance by following a sclr approach.
- **Grant application:** Grants range from \$20,000 to \$50,000 and support is rendered to grassroots organisations.
- **Disbursement:** HAI makes thematic-focused calls for proposals at least three times a year and invites applications from grassroots organisations.
- **Flexibility:** HAI works together with member organisations to systematically improve compliance. Grantees have full control and responsibility for planning and designing their initiatives, as well as for their programme's M&E plans.
- **Capacity-strengthening:** Grantees are supported through technical assistance, mentorship and guidance. To streamline the grant use and reporting process, HAI offers grassroots organisations centralised human resources support and guidance on how to improve financial compliance with the grants.

What challenges exist? HAI encounters several challenges during the regranting process. Grantees often face compliance, operational and capacity risks. Many lack the operational capacity to meet donor requirements, and some smaller organisations struggle to deliver projects as expected. Additionally, meeting donor financial requirements presents compliance challenges, particularly during the reporting stage.

What opportunities exist? As a high-capacity organisation, HAI has demonstrated the ability to scale up, having received one of its largest grants in the past two years (\$50,000–\$499,000). Through its LOCAL platform, which connects a network of local organisations, it has the infrastructure to support a broader group. This network enables expanded support, not only through capacity-sharing but also through the regular provision of grants – provided more connections are made with donors willing to fund such projects.

More information

THE NIGERIA LOCAL COALITION ACCELERATOR

What is the mechanism? The Local Coalition Accelerator (LCA) is an initiative spearheaded by the Share Trust (United States) and Warande Advisory Center (Kenya). Coalitions of local actors work together to design and implement joint programming, providing a single entry point for donors to fund coordinated action. Many local actors are not large enough to deliver large-scale programming on their own. There is also significant value in local actors remaining centred on their communities and collaborating as a network to deliver holistic programming, while also serving as a single entry point for donor funding.

Why the LCA in Nigeria? The Nigeria Local Coalition Accelerator (NLCA) is working to strengthen community-led responses, shifting the focus from externally driven programmes to solutions designed and led by local actors and their community. NLCA comprises nine member organisations of diverse sizes and experience, who have agreed to work together as a coalition. Each organisation brings its own sectoral experience to the group. As part of this process, the organisations agree on governance structures democratically, and they set rules of engagement for the partnership. Unrestricted funding from the Vitol Foundation has supported the design of two Joint Action Plans (JAP), which are guided by community priorities rather than donor preferences. In 2024, the JAP reached 29,878 individuals with services across health, climate change, and resilient livelihoods and education.

In partnership with the United Nations Office for the Coordination of Humanitarian Affairs (OCHA), NLCA piloted a new approach to humanitarian funding – integrating coalitions of local actors into pooled funding structures to enable more adaptive and community-driven responses. The pilot focused on a rapid response to flooding in Adamawa State in 2024. NLCA led the response, with support from local actors in the region, delivering services to 19,013 people.

Why is NLCA important?

- **Jointly designed, community-centred action plans.** LCA members approach the design of JAP activities from varied perspectives and backgrounds. Engaging the community from an early stage and encouraging peer-to-peer capacity-sharing between members have been cornerstones of the LCA approach.
- **Redefining local actors' role in humanitarian response.** The partnership with OCHA created space for larger conversations surrounding the re-centring of the role of local actors in Nigeria's humanitarian response.
- **Increasing inclusion of the Nigeria Humanitarian Pooled Fund.** The partnership between NLCA and OCHA created the groundwork for increased inclusion of local actors in the Pooled Fund.
- **Increasing visibility of local actors.** NLCA has mapped local responders and worked with 12 non-LCA members to share capacity and jointly design a response strategy in Adamawa State.

What challenges exist? Structural barriers to funding continue to create challenges for the NLCA. The holistic approach to meeting community priorities does not fit neatly into a log-frame and, as a result, it can be challenging to fundraise. Burdens of due diligence and administrative requirements also create challenges for structures such as NLCA and its member organisations. Moreover, building robust and trusted governance structures takes time, and donor timelines are often too short to capture such transformative processes.

What opportunities exist? The partnership with OCHA has demonstrated the capacity of local actors to deliver humanitarian response activities and create space for dialogue and advocacy around the inclusion and agency of local actors in spaces such as pooled funds. The resulting inclusion should lead to increasingly localised decision-making and programme design. As NLCA continues to strengthen its own internal systems, its capacity to receive larger grants and increase its reach will also grow, as will its ability to replicate the structure elsewhere in Nigeria, where the needs remain enormous.

[More information](#)

MODEL 3

NETWORK OF MUTUAL AID/ COMMUNITY EFFORTS

THE LOCALISATION COORDINATION COUNCIL FOR THE EMERGENCY RESPONSE ROOMS SYSTEM IN SUDAN

What is the mechanism? The Emergency Response Rooms (ERR) system in Sudan was created in response to the ongoing humanitarian and security crisis there, which limits access for international organisations and UN agencies. Built on Sudan's tradition of social mobilisation, ERRs are organic volunteer networks, many of which are linked to Sudan's resistance committees from the 2019 democratic revolution. These networks provide flexible, community-driven, lifesaving aid across the country. The Localisation Coordination Council (LCC) – composed of state-level ERR representatives, local NGOs and INGO advisors – facilitates coordination between international donors, national NGOs and the ERR system while maintaining its decentralised structure. The LCC also advocates for collective donor action to advance localisation. Complementing this effort, the soon-to-be-established Sudan Crisis Coordination Unit (CCU) will function as a learning and information portal. Administered by Shebaka, the CCU connects donors with innovative strategies to

support mutual aid efforts, including the ERR system. Together, the ERRs, LCC and CCU form a comprehensive, mutual aid-centred intermediary mechanism guided by principles of accountability, transparency and equality.

How does it function (how is it locally led)? The ERR system employs several key strategies to ensure effective, locally led funding:

- **Decentralised and democratic decision-making:** Each neighbourhood ERR operates autonomously, assessing and responding to community needs with flexibility. A democratic system then organises neighbourhoods into administrative units, localities, states and ultimately a national LCC council, all governed by a constitution outlined in its charter. This structure ensures a decision-making process grounded in democratic principles while maintaining decentralised authority at the base for programme design and implementation.
- **Data-driven decision-making:** The ERR system integrates a comprehensive data management system that informs fund distribution and operational decisions. This system enables transparent decision-making based on real-time data, including the needs of communities and available resources.
- **Grant-making process:** The ERR system employs a simple yet effective grant-making process (the F system) that minimises reporting requirements while ensuring efficiency, accountability and decision-making at the base level.
- **Flexibility in registration and funding:** To preserve their informal structure while accessing funding, ERRs employ creative strategies. These include collaborating with registered organisations to gain partial legal legitimacy, registering specific components while keeping others unregistered, registering directly with the Humanitarian Aid Commission, and partnering with funders who accept informal donation mechanisms.

What challenges exist? Despite its innovative approach, the ERR system faces significant funding challenges, particularly due to the complexity of donor requirements. Its informal, decentralised structure conflicts with the formal registration and compliance systems of many international donors, creating barriers to accessing larger, more flexible funding. Small-scale grants, often restricted to specific thematic areas, further limit the ERRs' ability to address diverse needs effectively. The current global aid situation has put the ERR system under significant strain. In January 2025, the LCC estimated a 95% funding gap between identified needs – such as food, communal kitchens, and water, sanitation and hygiene (WASH) – and the resources they were able to mobilise nationally. Additionally, the lack of coordination among donors and the fragmented nature of funding sources further strain the ERR system's financial sustainability. Trust and flexibility in donor relationships remain essential, yet increasing demands and bureaucratic hurdles pose significant risks to ERR operations.

What opportunities exist? The ERR system currently operates in 17 of Sudan's 18 states, with more than 10,000 volunteers delivering lifesaving aid. In 2024, the system disbursed over \$10 million in funding, excluding significant contributions from local and diaspora communities. The ERRs have developed a scale-up plan with a four-phase process aimed at directing 5% of Sudan's humanitarian funding –

approximately \$100 million – through the ERR system. Members believe that scaling up would require flexibility and coordination from donors, allowing for large-scale, unearmarked funding that supports decentralised decision-making while mitigating risks such as security threats and financial mismanagement.

[More information](#)

MODEL 4

MULTI-COUNTRY LNA NETWORKED POOLED FUNDS

THE NEAR CHANGE FUND

What is the mechanism? The Network for Empowered Aid Response (NEAR) is a global coalition of local and national CSOs committed to advancing locally led humanitarian action. The NEAR Change Fund is a global funding mechanism that channels resources directly to local actors responding to emergencies. Built on the belief that those closest to crises are best positioned to lead, the fund emphasises locally rooted early warning systems, a streamlined grant-making process and trust-based partnerships. The Fund is governed entirely by local and national actors through an oversight body, ensuring that decision-making is participatory and culturally sensitive. The process includes concise applications complemented by needs assessments, which streamline resource deployment and avoid bureaucratic delays. Together, these features enable a bottom-up, community-focused approach that fosters collaboration over competition.

How does it function? The NEAR Change Fund operates with several key strategies for locally led funding:

- **Rapid crisis response:** Within eight days of declaring a crisis, the Fund can request, receive and review applications, awarding grants to pre-approved NEAR members. In its pilot phase, all 13 grants were approved within 48 hours of application receipt, highlighting its unparalleled speed and agility.
- **Streamlined governance and decision-making:** Managed entirely by local and national actors, the oversight body monitors crises, reviews applications and allocates resources strategically. This participatory governance model enables context-specific responses aligned with community priorities.

- **Collaborative and inclusive grant-making:** Grants typically range from \$150,000 to \$250,000 and encourage joint proposals, fostering collaboration among local actors. Equity-focused criteria, such as gender lenses and prioritisation of hard-to-reach populations, ensure inclusivity and relevance.
- **Human-centred and adaptive design:** The Fund's processes are designed to resonate with on-the-ground realities, allowing for real-time adaptability to meet emerging needs dynamically.

What challenges exist? While the NEAR Change Fund has demonstrated significant success, challenges remain. Scaling up the Fund's model requires sustained donor trust and investment in locally led approaches. Prevailing donor requirements, such as compliance systems and risk-averse funding practices, can hinder the flexibility and speed that are central to the Fund's operation. Additionally, fostering broader donor recognition of local actors' capacity to lead remains an ongoing challenge.

What opportunities exist? Since its inception in 2022, the NEAR Change Fund has achieved notable impact. With an initial budget of \$1.9 million funded by the Hilton Foundation, it has supported 13 grantees across 11 countries, reaching over 239,000 beneficiaries – including refugees, internally displaced persons and vulnerable groups such as women-headed households and people with disabilities. Scaling up would involve expanding its global reach, directing larger pools of funding through the mechanism while maintaining its agility and inclusivity.

[More information](#)

