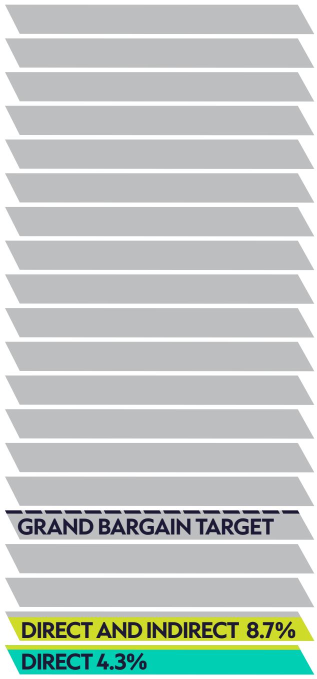
CHAPTER 4 SUMMARY

Despite decades of investment in localisation and accountability, there remained remarkably little rigorous evidence on the comparative costs and benefits of different approaches. As a result, the humanitarian system still has a limited understanding of the returns on these investments, the value they have generated, or the opportunities lost through failing to implement commitments to make humanitarian action more locally led and people-centred. Where evidence did exist, it consistently pointed to the importance of addressing underlying power dynamics, institutional incentives and organisational behaviour, while engaging more meaningfully with existing local response ecosystems.

A decade after the Grand Bargain, localisation remained far from transformational. Local and national actors (LNAs) received only 4.3% of direct humanitarian funding in 2025.[1] Representation was similarly unequal: national non-governmental organisations (NGOs) held only 11% of seats on Humanitarian Country Teams in 2024, whereas United Nations (UN) agencies, international NGOs (INGOs) and donors held 79%. Across contexts, persistent structural, financial, political, legal and organisational barriers to localisation endured, including heavy compliance requirements, high donor risk perceptions, limited funding flexibility, unequal partnerships and little shared decision-making.

There was growing recognition of the need for a diverse ecosystem of funding models and intermediary actors that could serve different purposes, contexts and types of local actors. At the same time, tensions emerged around the growing number of INGO-managed 'locally led' pooled funds. While mutual aid and support for community-led responses received greater attention in policy and practice, there were warnings that these approaches could become co-opted by the formal humanitarian system.



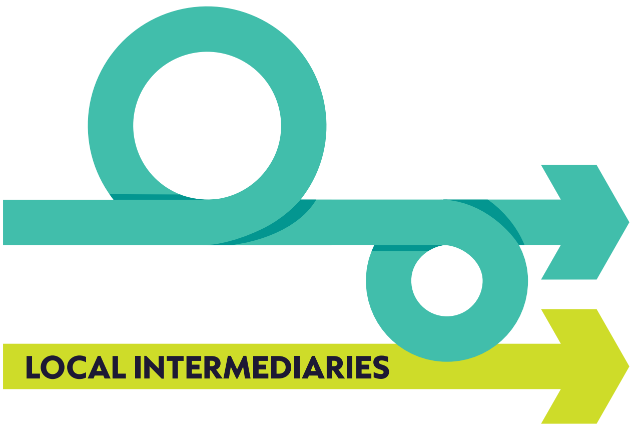
Only 4.3% of all reported humanitarian funding flows were directly allocated to local and national actors

Accountability remained largely technical and siloed. Investment continued in frameworks, strategies and tools, but considerably less attention was given to ensuring that feedback informed decision-making, programme adaptation and organisational accountability. Community engagement and involvement remained limited, including in key decisions on priorities and response modalities.

The humanitarian system ended the 2022–25 study period facing what Emergency Response Coordinator Tom Fletcher described as a 'profound crisis of legitimacy, morale and funding', alongside renewed calls to prioritise people experiencing crises. The Humanitarian Reset Roadmap envisioned a more locally led, 'people-centred', community-rooted system, but what this meant in practice – and how it would be achieved – remained unclear.

The coming period may present an opportunity to build on decades of experience, existing practical recommendations and accumulated lessons on participation, accountability and locally led action. Doing so will require humanitarian leaders and donors to change institutional cultures, political and economic incentives, and organisational behaviours. Rebuilding trust will depend less on new commitments and paying lip service to the inclusion of local actors and people affected by crisis, and more on demonstrating that existing commitments are fulfilled – and, where they are not, that those responsible are held accountable.

The evidence suggests that meaningful reform will also require humanitarian leaders and donors to confront uncomfortable questions about the system's colonial legacies, power dynamics (including whose knowledge is recognised and acted on), racism and a predominantly top-down, supply-driven business model in which flexible, long-term funding is rare. It will also require looking beyond linear delivery chains and towards wider humanitarian ecosystems, as well as working more equitably with existing national, local and community governance structures, rather than treating them primarily as implementing partners.



Studies estimated that local intermediaries could deliver programming 32% more cost-efficiently than international intermediaries.