



Towards Greater Effectiveness and Timeliness
in Humanitarian Emergency Response



TURNING PROMISES INTO PRACTICE

THE STATE OF LOCALISATION IN ETHIOPIA

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DISCLAIMER

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EXECUTIVE SUMMARY

This research was commissioned by the ToGETHER consortium of four German humanitarian NGOs (Caritas Germany, Deutsche Welthungerhilfe, Diakonie Katastrophenhilfe and Malteser International). It is part of a series of eight country studies and a comparative analysis with other reports on Bangladesh, Colombia, the Democratic Republic of Congo, Indonesia, Myanmar, Pakistan, and Somalia. The analysis aims at informing the programme's efforts to advance localisation in these countries. Furthermore, it contributes to a wider translation into practice of the commitments that international agencies have made to support and reinforce rather than replace national and local crisis responders in their countries.

The report first explores the context, with particular attention to the role of the federal government and the legal-political space for civil society. It then maps what could be identified as important localisation-relevant initiatives and localisation conversations. Subsequently, more details are provided on the four dimensions of localisation which were investigated in particular – quality of relationship, finances, capacities, and coordination. Additionally, the cross-cutting issue of gender and localisation is discussed.

Vulnerabilities to crises with humanitarian consequences

Ethiopia remains vulnerable to different types of crises with humanitarian consequences. Given a rapidly growing population, besides recurrent cycles of drought, and climate change impacts, chronic food insecurity remains a threat. Rapid onset emergencies such as floods can affect populous cities like Dire Dawa and Afar Regional state. Internal displacement is driven by infrastructure development, urbanization and conflict. Currently, the number of IDPs is estimated to be approx. 2 million.

In addition, Ethiopia is one of the largest refugee-hosting countries in Africa, sheltering 763,827 registered refugees and asylum seekers as of 31 May 2020. To further give a sense of scale: OCHA in 2019 estimated that 8.86 million people in Ethiopia required humanitarian and protection assistance – nearly 10% of the total population.

Addressing food insecurity is strategic government priority

Addressing chronic and acute food insecurity, including structurally, has been a strategic priority for the Federal Government. Ethiopia's role as an activist, developmental state, where the government is a primary economic and protection actor, can be considered a clear example of successful localisation.

Extensive top-down government disaster management and coordination

The Government has its own extensive disaster management and coordination structure down to the lowest administrative level, and co-leads many of the parallel UN-coordination structures. Though constitutionally a confederation, and with policies encouraging people participation, the disaster management system in practice is very top-down, with strategic resources controlled at Federal level. The rigidity and lack of flexibility are not enabling for 'localisation' in the sense of 'being led by locally-embedded actors'.

The strong governmental emphasis on the structural threat of food insecurity has led to a justified developmental approach that international aid agencies now refer to as 'nexus'. The recent increase in conflict, both politically and developmentally induced, however, raises the question whether all relief actors have been too aligned to the government strategy, and need to regain some independence, grounded in humanitarian principles. The skill lies in doing this without it triggering a new restricted space.



Legal restrictions for CSOs worked against localisation

While there is strong governmental leadership, for a decade (2009-2019) Ethiopian non-governmental actors have been confined by a legal framework that provided major disincentives for international actor investment in their individual and collective institutional reinforcement. This has changed only recently. The overall perception is now that of a much more enabling legal environment. Still, there is no explicit government support to encourage donors, the operational agencies of the UN, and INGOs to support and strengthen Ethiopian CSOs more systematically and effectively yet.

Localisation conversations limited in scope and participants

Spaces for localisation conversations exist, there is even some renewed momentum about localisation. However, they almost exclusively take place in Addis Ababa, the focus is mainly on technical, i.e. capacity issues, and only a few INGOs and CSOs are actively involved.

Successful localisation projects but no systemic change

Overall, international relief actors have been inclined to involve Ethiopian CSOs merely as sub-contractors, rather than work with them as equitable partners. There are notable exceptions, however. The Start Network's Shifting the Power project in particular, and the longer-term partnering approaches of some INGOs (mostly faith-based), were and remain important efforts to advance localisation among CSOs. But by themselves, they were and are not enough to have a broader impact on the situation that prevailed until 2019. Project-based initiatives that do not generate momentum for change among more and key actors do not lead to more systemic change.

Inadequate measures to address capacity shortcomings

The 2009-2019 contextual disincentives to invest in institutional capacity support are a layer on top of more structural weaknesses in the international relief sector in this regard. Approaches to 'capacity development' that focus on policies, procedures and technical expertise have little lasting impact. Organisational development expertise requires more than technical/managerial expertise. Further, capacity support of an organisation needs to be combined with giving it access to finance, so it can practice what it learns and learn from practice.

Hardly any direct humanitarian funding for Ethiopia CSOs

While some Ethiopian CSOs received and receive direct funding for their developmental programming, humanitarian funding overwhelmingly passes first through the UN and INGOs. There are no national fund managers in Ethiopia. Unlike in several other countries, the Ethiopia Humanitarian Fund (EHF) so far has not been a more accessible source of finance. Most relief funding remains short-term and does not always cover CSO's core costs. Grand Bargain commitment 7 to more multi-year planning and funding, though relevant given Ethiopia's structural and recurrent humanitarian challenges, is not practiced. Ultimately, only more domestic income can reduce the dependency on international aid.

CSO representation in coordination structures limited by lack of resources

The presence of Ethiopian CSOs in government- and UN-led humanitarian coordination structures is beginning to increase, but also needs to translate into meaningful participation and effective influence. Insufficiently resourced organisations, however, cannot afford the staff time to attend a multitude of meetings, even if it can bring the benefit of greater visibility among international actors, and potential access to the Ethiopia Humanitarian Fund.



Significant scope for better gender equity

Though there are some capable women's (and children's) rights-focused organisations, and various capable women leaders, there remains significant scope for better gender equity.

Better access to funding crucial for localisation

The change in CSO law in early 2019 has now created new opportunities to more vigorously pursue localisation. The increased presence of Ethiopian CSOs in some core coordination structures, and a strategy being worked out with OCHA, which manages the EHF, for greater engagement with CSOs, may provide entrances for slowly increasing inclusion.





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ACRONYMS

ACSO	Agency for Civil Society Organisations
ACT	Action by Churches Together
ALNAP	Active Learning Network for Accountability and Performance
ANPPCAN	Association for National Planned Program for Vulnerable Children and in Need
ASDEPO	Action for Social Development and Environmental Protection Organisation
BINGO	British International Non-Governmental Organisation
C4C	Charter for Change
CAFOD	Catholic Agency for Overseas Development
CCRDA	Consortium of Christian Relief and Development Associations
CINGO	Canadian International Non-Governmental Organization
COVID	Corona Virus Disease
CRS	Catholic Relief Services
CSO	Civil Society Organization
DAG	Donors Assistance Group
DANIDA	Danish International Development Agency
DEPP	Disaster and Emergencies Preparedness Programme
DFID	Department for International Development (of UK)
DFSAS	Development Food Security Activities
DI	Development Initiatives
DRM(PPC)	(National) Disaster Risk Management (Prevention and Preparedness Commission)
DRMTWG	Disaster Risk Management Technical Working Group
ECHO	European Commission of Humanitarian Office
ECSF	Ethiopia Civil Society Forum
EECMY	Ethiopia Evangelical Church Mekenayesus
EHCT	Ethiopia Humanitarian Country Team
EHF	Ethiopia Humanitarian Fund
EPRDF	Ethiopia People's Revolutionary Democratic Front
ERCS	Ethiopian Red Cross Society
EU	European Union
EUCSF	European Civil Society Fund
FAO	Food and Agriculture Organization
FIDO	Fayyaa Integrated Development Association
GB	Grand Bargain
GMI	Global Mentoring Initiative
GOE	Government of Ethiopia
HC	Humanitarian Coordination
HCT	Humanitarian Country Team



HINGO	Humanitarian International Non-Governmental Organization
HQ	Head Quarter
HRDG	Humanitarian Resilience Donor Group
ICCG	Inter Cluster Coordination Group
IDP	Internally Displaced People
IGA	Income Generating Activities
INGO	International Non-Governmental Organisation
IOM	International Organization for Migration
L/N(CSO/ NGO)	Local/National Civil Society Organization/non-Governmental Organization
MACMDO	Mothers & Children Multisectoral Development Organization
MOFA	Ministry of Foreign Affairs
MOU	Memorandum of Understanding
NCA	Norwegian Church Aid
NDPPC	National Disaster Prevention and Preparedness Council
NDRMC	National Disaster Risk Management Committee
NORAIID	Norwegian Agency for International Development
NRC	Norwegian Refugee Council
NT	Non-Transferable
OD	Organizational Development
ORDA	Organisation for Relief and Development in Amehara
OFDA	Office of Development Assistance
OWDA	Organisation for Welfare and Development Association
PADET	Professional Alliance for Development
PCM	Project Cycle Management
PSNP	Productive Safety Net Programme
REST	Relief Society of Tigray
SCAIF	Scottish Catholic International Aid Fund
STP	Shifting the Power (project)
TWG	Technical Working Group
UEWCA	Union of Ethiopia Women and Children Association
UN	United Nations
UNDP	United Nation Development Program
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
(UN) OCHA	UN Office for Coordination of Humanitarian Assistance
USAID	United States Agency for International Development
WFP	World Food Programme



THE RESEARCH STUDY

1.1 PURPOSE AND KEY QUESTIONS

This research was commissioned by the ToGETHER Consortium of four German humanitarian NGOs (Caritas Germany, Deutsche Welthungerhilfe, Diakonie Katastrophenhilfe and Malteser International). It is part of a series of eight country studies and a comparative analysis with other reports on Bangladesh, Colombia, the Democratic Republic of Congo, Indonesia, Myanmar, Pakistan, and Somalia. The analysis aims at informing the programme's efforts to advance localisation in these countries. Furthermore, it contributes to a wider translation into practice of the commitments that international agencies have made to support and reinforce rather than replace national and local crisis responders in their countries..

The guiding questions for all countries were:

- Which understandings of localisation of humanitarian aid exist among humanitarian actors?
- Which localisation initiatives and programmes took place or are taking place in the respective country? Which initiatives and programs provide good practice?
- Where are in-country actors making good progress and what are the most significant challenges in the key areas of the localisation process - namely partnerships, financing, capacity development, coordination and complementarity, and gender?
- What institutional, policy and political dynamics influence these developments?
- What are the most urgent strategic issues and challenges that need to be addressed to realise substantive, transformative change?

1.2 OPPORTUNITY AND CHALLENGES

The questions invite a broad canvas or systems-perspective on the state of localisation. This provides an opportunity as it takes the localisation conversation beyond the bilateral relationships of an international relief actor and its partner(s). It also considers contextual constraining and enabling factors. Most global research on localisation since the 2016 World Humanitarian Summit has tended to focus on one single aspect (e.g. funding; coordination; gender and localisation; risk management; governmental policy towards international operational presence) (Van Brabant 2020b). There is, to the researchers' knowledge, no significant precedent of a contextual systems-analysis.

The question where in-country actors are making good progress and where there are significant challenges is hard to answer, when there are hundreds of multilaterals, bilateral, national and local governmental and non-governmental actors. Due to the inevitable time and resource constraints of any exercise, trade-offs had to be made between broad scope and in-depth analysis of details and components. A broad canvas inquiry leads to broader stroke observations that cannot capture all nuances and do justice to the multitude of different approaches and experiences. There are hundreds of actors in Ethiopia, operating in significantly different sub-national contexts. They find themselves in a myriad of relationships, the realities of which tend to be more complex than is captured in a word like 'sub-contractor' or 'partner'.



1.3 INTERPRETIVE FRAMEWORKS AND METHODS

A FRAMEWORK

The research looks at localisation as a multi-dimensional issue. In 2017, GMI developed the Seven Dimensions framework of localisation for the Start Network, which emerged from extensive conversations with local and national actors in different countries (Patel & Van Brabant 2017). The framework has been tested and is used, sometimes with adaptations, by several other agencies, networks, or research groups.

RELATIONSHIP QUALITY	PARTICIPATION REVOLUTION	FUNDING & FINANCING	CAPACITY	COORDINATION MECHANISMS	POLICIES AND STANDARDS	VISIBILITY AND CREDIT SHARING
<ul style="list-style-type: none"> • respectful and equitable • reciprocal transparency and accountability 	<ul style="list-style-type: none"> • deeper participation of at-risk & affected populations 	<ul style="list-style-type: none"> • better quality • greater quantity 	<ul style="list-style-type: none"> • sustainable organisations and collaborative capacities • stop undermining capacities 	<ul style="list-style-type: none"> • national actors greater presence and influence 	<ul style="list-style-type: none"> • national actors can contribute to and influence global and national policy and standards-development, and their application in their contexts 	<ul style="list-style-type: none"> • roles, results and innovations by national actors are given credit and communicated about by international actors

Diagram 1. Seven Dimensions framework of localization

The guiding questions, for this and the other country assessments, focused on four of the seven dimensions: quality of relationship, finance, capacity, coordination, and one cross-cutting issue, gender and localisation.

Furthermore, this report makes use of the following assumptions on the underlying dynamics of localisation efforts:

Localisation needs to be understood in relation to internationalisation

Historically and globally, most crises have been and continue to be managed with mostly local/national capacities and leadership. The rise of a global relief industry, spearheaded by UN agencies and international NGOs, is a fairly recent phenomenon. Under certain conditions (major crises that receive international media and political attention, and where national governments invite international assistance), large-scale international crisis-response capacities are mobilised. The result may be a process of ‘internationalisation’, where international relief actors take over most of the strategic and operational decision-making as well as financial control of relief efforts, sometimes replacing and/or subordinating national and local structures. Localisation in that light is the effort to reduce and reverse such internationalisation where it is unjustified and counterproductive.

Localisation plays out at the organisational and systemic level

Achieving localisation requires efforts both at the organisational and at the systemic level. While a lot of research into the contributions of individual organisations towards localisation has been conducted in the past few years, this study will focus on assessing localisation progress at the systemic level. As such, it aims towards achieving a better understanding of the dynamics between different actors in a given country context.

National government plays a key role in shaping the dynamics

National governments have a major influence on the dynamics of internationalisation and localisation. The national government decides what role it wishes to play in the management



of crises affected people on its territory: will it lead and if so, to what degree? It can set the overall policy framework, but it can also chair or co-chair coordination efforts, it can insist on vetting each project proposal and may or may not itself deliver relief services. National government determines the space and roles for its own civil society actors and for international relief actors. Ethiopia, where structures and policies have to be newly built, might consider the experiences of other countries in this process.

B METHODS

This report draws on a document review and interviews with key informants. The acquired information is analysed using the Seven Dimensions framework as described above.

Document review: The inquiry started with a literature review. ‘Localisation’ as a search word may yield some documents from after the World Humanitarian Summit and its Grand Bargain outcome document. But the dimensions of partnership, capacity support for national and local actors, and the latter’s access to finance or meaningful participation in coordination structures, have a longer history. The same is true for the support for women’s rights and women-focused national and local organisations. That can quickly lead to a substantive amount of literature, including older documents.

Key informant interviews: The whole research, including the country-level inquiry, took place during the global COVID-19 pandemic in the summer of 2020. Even where government regulations did not impose a total lockdown, duty-of-care considerations led to the decision to conduct the inquiry largely or exclusively via online conversations. Originally planned kick-off and feedback and validation workshops were not organised. While theoretically possible online, this assumes a convening power of the national researcher, good quality Internet access of all participants, and the availability of the latter at the same time. One or more of these factors was often absent. In addition, political tensions during part of the research period led to restrictions on Internet availability. Not all interlocutors approached were available or responsive. Many international and national aid workers were preoccupied with adaptive management or working from home, a few internationals had left the country.

National researchers, if not well-known names, can also experience that they get no response to their requests for an interview, from internationals but also from fellow-citizens in senior positions. Still, 38 interviews were conducted, which included one Government official, one UN staff member, 10 INGOs and 20 with interview partners from Ethiopian CSOs or networks. A survey (see Annex 3) was sent out to 30 individuals, but only 2 responded.

Structure of the report: In line with the above interpretive framework, the report first explores the context, with particular attention to the role of the federal government and the legal-political space for civil society. It then maps what could be identified as important localisation-relevant initiatives and localisation conversations. Subsequently, more details are provided on the four dimensions investigated in particular, and on the cross-cutting issue of gender and localisation. The report concludes with a summary of the observations made.



THE CONTEXT

2.1 VULNERABILITIES TO CRISES WITH HUMANITARIAN CONSEQUENCES

Ethiopia remains vulnerable to different types of crises with humanitarian consequences. Although the situation has significantly improved since the devastating famines of 1973/1974 and 1984/1985, chronic food insecurity remains a threat. Overcoming this has been a top priority in the national development strategy of the past decades, but a rapidly growing population, recurrent cycles of drought, and climate change impacts, make this a complicated task. Periodically, the chronic food insecurity aggravates and turns into acute food insecurity in some areas. Drought, which occurs frequently in the lowlands of the Oromia, Somali and Afar Regions, and parts of Wollo zone in the Amhara region, is typically a major factor. Rapid onset emergencies, such as floods, can affect populous cities like Dire Dawa and Afar Regional state. Internal displacement is driven by development infrastructure, such as the dams and irrigated agriculture, the expansion of urban areas or creation of industrial zones. This also impacts on farming and grazing areas vital to (semi-)pastoral populations in the Lowlands, increasing their food insecurity.

Conflict is another cause of internal displacement, and has affected various areas such as the Somali, Oromia, and Benishangul Gurmuz regions. There has been unrest, at times, in Sidama, instability in Wolkite/Tegede, Raya etc. In 2018, the number of internally displaced people (IDP) nearly doubled to 3.19 million, with 30% of them in acute need. By now, the number of IDPs has declined to approx. 2 million people.

In addition, Ethiopia is one of the largest refugee-hosting countries in Africa, sheltering 763,827 registered refugees and asylum seekers as of 31 May 2020. To further give a sense of scale: OCHA in 2019 estimated that 8.86 million people in Ethiopia required humanitarian and protection assistance – nearly 10% of the total population (Austin et al 2019: 27).

2.2 GOVERNMENT INSTITUTIONS AND LEADERSHIP

Since the early 90s, Ethiopian policy and practice has been that of a ‘developmental state’ (see e.g. Gebresenbet 2015). Ethiopia has taken inspiration from the South Asian ‘tiger economies’ and made the state a primary economic actor. The result has been sustained high economic growth, earning Ethiopia the label of the economic ‘lion’ of Africa.¹ Not surprisingly, the state has also taken firm leadership on disaster management. The argument can be made that Ethiopia is a clear example of state-led and state-centered localisation. Annex 4 summarises the humanitarian architecture in Ethiopia.

2.3 CIVIL SOCIETY DEVELOPMENT AND SPACE

A CIVIL SOCIETY DEVELOPMENT

Historically, faith-based organisations and the Ethiopian Red Cross Society (ERCS) have been active since the 1930s. Other civil society type organisations appeared in the 1960s, but only developed very slowly during the feudal regime. They were severely restricted during the military Derg-period (1974 to 1991). Following the overthrow of the Derg, the EPRDF

¹ As mentioned, that is now being complemented with stronger promotion of the private sector.



government introduced new guidelines in 1995, expecting CSOs to align their programmes and activities with government priorities. This was welcomed by CSOs and thanks to that enabling space, they grew in size and number.

B LOCALISATION-RELATED RESEARCH

The 1999 Code of Conduct for NGOs, adopted by the Government, was the result of a collaborative effort by different leaders of the sector. The Code was a symbol of the willingness and capacity of the sector to regulate, monitor and evaluate itself. A political crisis arose, however, around the 2005 elections, where the political opposition to the ruling coalition scored unexpectedly well. Perceptions that civil society organisations had supported the political opposition, possibly with international support, resulted in the 2009 Charities and Societies Proclamation. This significantly tightened the space and set the framework for Ethiopian and international aid actors for a decade, until its replacement in 2019 by the current Civil Societies Proclamation. It can be considered to have been the single biggest obstacle to localisation for Ethiopian non-governmental organisations, and a driver of the return to stronger internationalisation – within the boundaries of firm Government leadership.

“**The 10/90 income source rule deprived Ethiopians CSOs from many income opportunities: lack of income leads to poverty and when in poverty one cannot talk of one's rights. The 30/70 rule further deprived CSOs from the freedom of programmatic space.**”

(Director of national CSO)

“**Ethiopian CSOs were in the intensive care unit during the 2009 law implementation.**”

(Interviewee quoting a statement of a senior manager of an Ethiopian CSO)

The 2009 Charities and Societies Proclamation

The 10/90 income source classification: Charities and societies were classified into three types, based on their ratio of local to foreign income.

“Type 1. Ethiopian charities and societies that have Ethiopian citizen members and administrators, and budgets that are at least 90% locally sourced. From 2010, only type 1 charities could work on human rights, democracy, national equality, nationalities, gender, religion, the rights of children and the disabled, conflict resolution and reconciliation, justice and law enforcement, elections, and democratisation.

Type 2. Ethiopian resident charities and societies that have members residing in Ethiopia, but have budgets composed of over 10% in foreign-sourced money.

Type 3. Foreign charities and societies which are formed under foreign laws, employ foreign staff, are controlled by foreign nationals, and receive substantial overseas funds. Restrictions on the number of work permits granted to foreign nationals led to a shift to more capacity strengthening of local staff, but also an increased reliance on external emergency teams for ad hoc interventions.”

(Montemurro & Wendt 2019:15)

The aim of the 10/90 income ratio clause is to limit the flow of foreign funding to local NGOs being used as an input to politics. In practice, on top of this restrictive law, the National Bank of Ethiopia regulation prevented most Ethiopian CSOs from operating a foreign bank



account. The interpretation of the 2009 CSO law and regulation of the National Bank of Ethiopia meant they could not directly access funding from several foreign donors, including the Ethiopia Humanitarian (Pooled) Fund, as holding a foreign bank account is a criterion for funding for most of the donors.

The 70/30 directive: Perhaps unintentionally, particularly serious consequences resulted from the subsequent '70/30' directive issued in July 2011 by the Charities and Societies Agency. This obliges CSOs to have 70% of budget allocated to 'operations' and no more than 30% to 'administration'. Sensible as this might sound at first, the problem lays not in the rule per se but in what was counted as 'administration'. Indeed, staff salaries and benefits, staff training costs, consultancy fees, costs for monitoring and evaluation, vehicles etc. were all designated to be administrative costs. The directive had a negative impact on most Ethiopian CSOs, particularly on smaller ones, as well as on a number of emerging consortia in the Regions, since a large proportion of their costs was classified as 'administration'. It had less impact on international agencies, particularly those providing humanitarian assistance, as that volume can be used to offset their costs designated as administrative (Christoplos et al 2018).

The 70/30 rule effectively forced international agencies to be either a 'donor' or an 'implementer'. It forced various INGOs to stop working with partners and opt for direct implementation (Van Brabant 2017 & 2018). That is confirmed by the recent HERE-Geneva analysis: *"Organisations traditionally working through partnership-based models had to make certain compromises because of the '70/30 rule'. The degree of compromise has somewhat depended on the way in which organisations define their partnership approach. For example, for one of the participating organisations which traditionally works fully through partners, the rule meant entirely restructuring its operational model towards one of direct implementation. Investing in building its own capacity to deliver programmes arguably happened at the expense of its traditional capacity strengthening approach for local partners. For another participating organisation, which has alternated between direct implementation and programme implementation through partners, the impact of the '70/30 rule' was less substantial. Building also on its long-standing relationship with local authorities, this organisation continuously negotiated on a case-by-case basis what the 30% for administrative costs would include. The leeway here revolved around whether the 30% were to be shared between the INGO and the local partner, or whether it were to be allocated solely to the local organisation."* (Montemurro et al 2019: 15).

De facto, the 2009 law and the 2011 directive also provided an incentive for Ethiopian CSOs to move more into humanitarian work, as the larger volumes of spending make it comparatively easier to meet the 70/30 requirement than developmental work (Christoplos et al 2018). At the same time, this legislation led to a situation where Ethiopian CSOs found it extremely difficult to get capacity support and to access international funding. Thus, it became an obstacle to advancing localisation, as also observed by others.

C THE MARCH 2019 ORGANISATION OF CIVIL SOCIETIES PROCLAMATION

The 2019 Organisation of Civil Societies Proclamation defines a civil society organisation as 'a local organization formed under the laws of Ethiopia by Ethiopians, foreigners residing in Ethiopia, or both, or it can be a foreign organization formed under the laws of a foreign country and registered to operate in Ethiopia'. The 2019 law appears to remove many of the restrictions on foreign and foreign-funded charity work. It allows NGOs more scope for activities, with the exception of voter education and political lobbying, as well as to obtain



funding from abroad (Kelly 2019). Registration is still mandatory, and the regulating agency (the Civil Society Organisations Agency) still has powers of investigation. Administrative costs are set at 20% of total income and 80% for operational/program costs. But under the new law, it is anticipated that costs related to training and capacity building and other project costs can be included in the 80%. The new law was the result of a decade's work by civil society including CCRDA, INGOs, academics and politicians to encourage the government to reform the previous restrictive law (Austin et al 2019).

Whereas previously the oversight authority of the 2009 law was more a political control, the current authority has been acting more as a professional and enabling body. It requires submission of annual performance and audit reports and can conduct inspections. The new law also envisages the creation of an 'NGO Council' as interface between the government and the CSO community that is encouraged to advance self-regulation via by-laws, codes of conduct etc.

Restrictions remain on INGOs and national CSOs established by foreign citizens not residing in Ethiopia. These cannot lobby political parties, conduct voter education, or engage in election observation. But actions on other forms of human rights, democracy promotion, conflict resolution, the protection of minorities etc. are allowed for both foreign and domestic NGOs.

Further administrative directives are still awaited, but two respondents to the survey and other qualitative discussants confirmed that the new law creates a much more enabling environment. Both respondents, a good 15 months after its proclamation, saw positive developments in their relationship with their international partners, but only for one was this related to the legal change. A senior manager of a CSO interviewed called the new law a "U-turn" from the previous one.

The decade-long restrictions have had significant impact on Ethiopian civil society, however. According to the Agency for Civil Society Organisations (ACSO), there were more than 4000 CSOs when the 2009 law came into force. So far, following re-registration under the 2019 law, there are only about 2700. According to the CCRDA December 2018 members updated list, there are six INGOs and 43 L/NCSO recorded as closed or unaccounted for. Therefore, we can say judging from the 1990 trend that CSOs could have been stronger and larger in number today had it not been for the restrictive law. It was particularly restrictive for Ethiopian CSOs and de facto provided disincentives for localisation.

Two notable exceptions to the above situation for Ethiopian CSOs have been the Ethiopian Red Cross Society (ERCS) and the Relief Society of Tigray (REST). These were not subjected to the same decade-long restrictions as most Ethiopian CSOs. Both have strong connections with the government and could perhaps be considered 'para-statal'. REST was originally the humanitarian wing of the 'Tigray People's Liberation Front'. It is now also operating outside Tigray. Significant international support gives it a sizeable operational capacity that allowed it to provide enough direct services to comply with the 70/30 ratio. *"They are engaged in quite complex programming, including sizeable irrigation programmes in the lowlands and an innovative Oxfam-supported weather-indexed insurance programme where they collaborate with both international research institutions and the international and Ethiopian private insurance sector. This impressive localisation outcome has emerged from several years of efforts to develop new responses to climate change and is underpinned by government trust in REST. (...) It is notable that, despite the close links with the government, some agencies referred to their work with REST as their main 'success story' in working with 'civil society'."*(Christoplos et al 2018:25).



2.4 NGOS AND CIVIL SOCIETY

All major United Nations (UN) agencies (UNDP, UNHCR, IOM, UNICEF, WFP, OCHA, etc.) are present in Ethiopia, so too are all major Western aid donors. There is also a large number of faith-based and secular international non-government organisations (INGOs). Many have been present for many years.

The Humanitarian International Non-Governmental Organisations or HINGO Forum is an informal structure. According to the conversation with a member, HINGO has Terms of Reference but no office or legal status. It is an informal information exchange platform, used, for example, to develop a common position and joint voice towards donors as well as the government. It is present in the Humanitarian Country Team (HCT) and the Inter-Cluster Coordination Group (ICCG). There are other smaller networks of common interest which are not fully related to humanitarian issues. These include British INGOs (BINGO) and Canadian INGOs (CINGO) etc. Various organisations of faith inspiration are part of the global ACT Alliance or the Integral Alliance network.



LOCALISATION INITIATIVES AND CONVERSATION SPACES

3.1 LOCALISATION INITIATIVES

A GOVERNMENT FOOD INSECURITY STRATEGY

The government-led Productive Safety Net Programme (PSNP) can justifiably be considered a successful form of 'localisation', even if civil society has no significant role in it (Christoplos et al 2018). It is funded by the Ethiopian government, bilateral donors and the World Bank and has been the centerpiece of government-led efforts to create a safety net in a situation of chronic vulnerability and food insecurity.

B SHIFTING THE POWER

Between 2016 and 2018, the Start Network, a grouping of mostly, though not only INGOs, implemented the Disasters and Emergencies Preparedness Programme (DEPP) that was made up of more than 10 discrete projects. The project most directly relevant to 'localisation' was called 'Shifting the Power'. (STP). It started out with a consultant reviewing the humanitarian context in Ethiopia and mapping relevant platforms, especially of CSOs. That identified the Ethiopian Civil Societies Forum (ECSF) and the Consortium of Christian Relief and Development Organisations (CCRDA) - and recommended formal collaboration on advocacy. Reportedly, the ECSF was an important platform in advocating for changes to the overly restrictive 2009 law, while the engagement of the STP project with the CCRDA led to the creation, in September 2017, of the first 'National Humanitarian Platform', under CCRDA umbrella. A 2-day DEPP-supported seminar in Addis Ababa, in November 2017, revealed how limited (with some individual exceptions) the understanding of the localisation agenda then still was among Ethiopian CSOs and the few internationals who also attended. This inquiry confirmed that the Start Network has been a key actor in bringing the agenda to the country.

The STP partners have focused their own influencing efforts on the zonal coordination forums and on the bi-yearly humanitarian needs assessments. Zonal coordination forums are local government-led forums for coordinating humanitarian response to drought, food insecurity, and other emergencies. Partners outside of the capital of Addis Ababa report increased attendance in the forums since joining the STP project. Many of these forums are inactive or semi-functional and so some partners are working with

Ethiopian CSOs involved in Shifting the Power

CIFA: Community Initiatives Facilitation and Assistance

AFD: Action for Development

AVH: Ethiopian Catholic Church Apostolic Vicariate of Hosanna

WSA: Women Support Association

ANNPCAN: Association for Nationwide Action for Prevention and Protection Against Child Abuse and Neglect

RCWDA: Rift Valley Children and Women Development Association

CDI: Centre for Development Initiative

TDA: Terepeza Development Association

SOS Sahel

Hundee: Grassroot Development Initiative



local government to revive the structures.

The bi-yearly humanitarian needs assessment is a Joint Needs Assessment led by the National Disaster Risk Management Commission. It incorporates all the major sectors, such as food security, WASH, and nutrition, and is largely undertaken by INGOs. In 2017, there was greater involvement of several STP partners that contributed to each stage of the assessment: orientation, data collection, analysis and debriefing. They were also invited to compile district level data reports. This is important because the needs assessment feeds into the humanitarian needs strategy document. Contributing to the Joint Needs Assessment provides visibility and builds organisational experience.

Already prior to the change in law, SOS Sahel reported having been able to access funding from the Ethiopia Humanitarian (Pooled) Fund, thanks to STP, part of it through its capacity support, but also the networking and introduction to this funding opportunity. At the time, SOS Sahel was one of the few to have a foreign currency account.

Interviews conducted for this inquiry indicate that, unfortunately, some of the momentum generated by STP was lost after the project came to an end. No structured follow-up took place when the key international donor decided not to fund a continuation of some or all of the DEPP projects. But new momentum now seems to be appearing. Some of that may have been triggered by the Africa Regional Conference on Localisation of Aid, organised by the Grand Bargain Workstream on Localisation, in Addis Ababa on 16-17 July 2019.

C CHARTER 4 CHANGE

Though several INGO signatories of C4C are present in Ethiopia, and there are some endorsing Ethiopian CSOs, this does not seem to be an active reference for many. Norwegian Church Aid, a signatory INGO, reports being committed to passing up to 80% of its funding to and through national and local

actors. But for others, the headquarters may have signed but that does not lead to anything visible at country level in Ethiopia. Endorsers are entitled to monitor and encourage signatory INGOs to put their commitment into practice and help them do so. The Ethiopian CSO endorsers reportedly used to have a group e-mail network in which they exchanged views, which is currently not very active, unlike the global endorsers' network. At the moment, C4C does not lead to any collective action, among or between signatories and endorsers. But several of the INGOs pursuing more strategic partnerships and providing stronger institutional development support are C4C signatories.

Ethiopian CSOs Endorsers of C4C

Africa Humanitarian Action

Community Initiative Facilitation and Assistance Ethiopia

Consortium of Christian Relief and Development Association (CCRDA)

Ethiopian Guenet Church Development & Welfare Organisation

D CCRDA: LOCALISATION FORUM & POLICY DEVELOPMENT

The CCRDA created a forum for discussion on localisation and conducted various panel discussions in 2019. It too commissioned research on the state of localisation in Ethiopia, simultaneously with this one. CCRDA is advancing in its policy action on localisation: the action envisaged includes advocacy, the creation of a dialogue on localisation, and capacity development for its members in terms of systems, leadership and staff competencies.



E OCHA-LED ENGAGEMENT STRATEGY

OCHA, with support from INGOs, is currently also developing a national/local CSOs engagement strategy paper. That will be operationalised in a complementary action plan. Attention areas are participation of Ethiopian CSOs in humanitarian response; representation and participation of the same in coordination forums, access to funding, holistic capacity strengthening, and general national/local ownership of humanitarian response. It is working closely with key CSOs on how to enable easier access to the Pooled Fund. The foreign currency account requirement, which used to be a major obstacle, may be overcome through an NT double currency account. This enables transactions in Ethiopian Birr, and in foreign currency for transactions abroad.

F DONOR ENCOURAGEMENT FOR WORKING WITH ETHIOPIAN PARTNERS

As is now happening in some other countries, some humanitarian aid donors are encouraging international first receivers to work with national and local partners. ECHO, which for legal reasons cannot directly fund organisations not registered in an EU member state, is one of them.

3.2 SPACES FOR LOCALISATION CONVERSATIONS

This research found that localisation conversations are taking place, at times, among donors, (in the Donor Assistance Group), UN agencies, INGOs and Ethiopian CSOs, but not in a systematic and coordinated manner.

There is some conversation about who constitutes a ‘national’ actor. A broadly agreed understanding is that it is a CSO that has grown from the soil and is registered in the country. Some, like ANPPCAN Ethiopia, are part of a wider regional network – in this case the African Network for the Prevention and Protection of Children against Child Abuse and Neglect – but tend to be seen as ‘national’. INGOs the country offices of which are fully staffed by Ethiopians but remain registered as international, also remain seen as internationals, as their strategy, policies and programming are influenced by others outside the country. Then there are also previous INGO offices, like SOS Sahel and Farm Africa, which have dropped their foreign structures and registered as Ethiopian organisations. Unlike in other countries, so far they are not resented in Ethiopia. This may be because, for a decade, restrictive legislation did not create an enabling environment for ‘national’ CSOs.

This research notes a certain revival of momentum and talk about ‘localisation’. But so far, the talk doesn’t strongly translate into the walk. Factors getting in the way around the world do so also in Ethiopia e.g.: Ethiopian CSOs have only limited capacity and need more organisational development support and mentoring; some calls for proposals put requirements in place that cannot or only hardly be met by Ethiopian CSOs; insufficient trust feeds continued hesitation.² Some international organisations also see localisation as a threat to their habit of direct implementation, and the business model that underpins it.

The Grand Bargain and C4C nowadays are better known by different parties than they were a few years ago. However, they are not necessarily used as references. And they are not operationalised in collective or individual agency targets, with progress markers, and monitoring

² Lack of trust was already identified by Mowjee in 2009, raising the question why not more trust was built in the past decade.



mechanisms. The conversation also resides largely in Addis Ababa and has not spread out to the various regions that make up the Federation, and the actors there. Even in Addis Ababa, awareness and knowledge vary. Those that participated in the STP project and some others, under the CCRDA umbrella, have a deeper understanding.

So far, there is no explicit government support to encourage donors and the operational agencies of the UN and INGOs to support and reinforce Ethiopian CSOs more systematically and effectively. An 'NGO Council', as envisaged under the 2019 law, could become a forum for engagement of the government on this. Although it has not, so far, been engaged with the localisation conversations in civil society, the interview with the Agency for Civil Society Organisations showed that there is convergence around the overall vision of strong 'Ethiopian ownership'. 'Localisation' as discussed in the aid sector would correspond to 'sustainability assurance' in government thinking. Perceived advantages are: Ethiopian CSOs take stronger ownership of local issues; it promotes stronger local resource generation to reduce foreign donor dependence; it encourages the UN and INGOs to better support the development of Ethiopian CSO capacities. Moreover, if CSOs do not pursue self-interested economic objectives, or get politically aligned, they can also be a counterbalance to trends of identity-based nationalism within the Federation.

The National Humanitarian Forum, created in 2017 under the CCRDA umbrella under the impetus of the Shifting the Power project, is another space where localisation is discussed. Reportedly, several discussion events were organised in 2019, and research initiated to better highlight the roles and capabilities of Ethiopian CSOs during crisis-situations. Ongoing research also seeks to have a clearer picture about e.g. the status of the 25% funding ('as directly as possible') by 2020 in Ethiopia, compensation by international agencies when hiring skilled staff from CSOs and good practices in partnering. Noteworthy is that a question has arisen whether international funding to government institutions counts for the target of 25%. According to the Grand Bargain, it certainly does. But localisation is about much more than the 25%: it is a vision where national and local actors are allowed to play a much stronger role in handling humanitarian crises. However, the COVID-19 pandemic has delayed the finalisation of that piece of work, which meant it could not be incorporated here. Somewhat surprisingly, the National Humanitarian Forum does not have a distinctive space on the CCRDA website.

Noteworthy is also the fact that the Africa Regional Conference on Localisation of Aid, organised by the Grand Bargain Workstream on Localisation, took place in Addis Ababa, on 16-17 July 2019. It included the announcement of the African Humanitarian Agency under the umbrella of the African Union. But as of June 2021, the implementation hasn't started yet.

3.3 CONVERSATION CONTENT

The nature of in-country conversations about localisation varies around the world. In some places, there is little active interest from international agencies (e.g. Democratic Republic of Congo), in others the conversation is very tense (e.g. Bangladesh), elsewhere there is quite strong convergence between national and international actors to more intentionally advance or deepen localisation (e.g. Indonesia). In Ethiopia, different views were heard about whether there is momentum in the conversation. Some felt there is, others that there is little momentum left since the end of the STP project. Donors will not readily fund networking events either. These differences in perspective may be explained by where an interlocutor sits. As indicated, there are a few spaces of conversation, but only a few INGOs and CSOs



are actively involved. And all are in Addis Ababa. If you are part of those, it may feel there is renewed momentum. But beyond these circles, the level of awareness and conversation may be minimal to non-existent.

This inquiry picked up some considerations and observations of the conversations in Ethiopia.

A INGO CONSIDERATIONS AND OBSERVATIONS

- The central power lies with key donors such as the EU, USAID, DFID. Their policies, practices, procedures and decisions have a great influence on whether meaningful localisation can take place or not. International donors are concerned about efficiency and effectiveness and need organisations that can act as fund-managers i.e., take on the task and responsibility of assessing a larger number of grant applicants and managing these grants.
- The heavily centralised disaster response mechanism of both the Government and the UN is not conducive to stronger 'localisation'. It is not enabling for better mobilisation of all available capacities among the diverse set of actors in a complementary manner, nor for more leadership from Ethiopian CSOs.
- Several INGOs such as Norwegian Church Aid, Dan Church Aid, Christian Aid, Tear Fund, Trocaire, CAFOD or ActionAid affirm that they have organisational partnership principles, policies and strategies, and seek to work with national and local partners on an equitable basis.
- Some, but not all, INGOs see their strategic mission as helping to develop strong national capacities, after which they should leave.
- The point is also made that strong civil society organisations, individually and collectively, have taken several decades in Western countries to develop. Ethiopia can benefit from the same, but it will not happen in a short while.
- The argument is also made that Ethiopian CSOs need to exercise agency and responsibility. They need to continue to engage government, as they did for a change in the previous disabling legal framework. They need to be proactive on their own organisational sustainability, integrity and accountability. The NGO Council could provide a platform for more collective initiative here. Ethiopian CSOs must be at the forefront demanding the implementation of Grand Bargain and/or (for the signatory INGOs) Charter 4 Change commitments.

B ETHIOPIAN CSO CONSIDERATIONS AND OBSERVATIONS

Key points that emerged from conversations with Ethiopian CSOs are:

- Only a modest number of Ethiopian CSOs were directly involved in the Shifting the Power project. Notwithstanding, during the time of that project there was a buzz and momentum towards advancing 'localisation' including regarding Ethiopian non-governmental organisations. Much of that evaporated when the project ended. As is often the case with project-based initiatives and creations, it did not translate into stronger, sustained and strategic commitment. Part of this has to do with the difficulty of CSOs to access funding. This means they must concentrate on operational issues with little time and energy left for strategic matters. But CSOs made no connection with a relevant government institution so far.



- While the organisations that were part of STP strengthened their systems and practices, this did not necessarily translate into better access to funding. There is a sense that donors keep adding requirements that cannot be met without the ability to develop these systems and learning through practice. Capacity development support should be linked to access to funding. That the STP project did not provide a funding stream for L/NNGOs to carry out humanitarian response, was identified as a strong limitation in the final external evaluation (Austin et al 2018).³
- There are indeed problematic situations in some Ethiopian CSOs, which have become instruments to serve the founder, where relatives are hired or brought onto the Board etc. Stronger self-regulation, for which the NGO Council can be a catalyst, can bring those cases more to the foreground. Such problem situations should not be used to cast doubt on all CSOs.
- There is concern that some INGO staff members quite intentionally maintain and spread a negative narrative about Ethiopian CSOs, to protect their business interests as direct implementers.

The situation shows a certain deadlock because of the ‘capacity trap’ that is encountered in many countries, not only in Ethiopia. The ‘capacity trap’ dilemma exists when an organisation

“We are here to support and complement national and local CSOs for them to fully own local development and humanitarian issues. We will go home once that is achieved and we are not really needed.”

(Senior Director of one INGO in Ethiopia)

has limited capacities still or at least not enough to meet the high expectations of internationals, therefore they do not get funded or not much and not with the quality funding that would allow them to invest in the further development of their organisational capacities. As a result, they remain with ‘insufficient’ capacities. It is a vicious circle that is hard to break, as long as international ‘capacity development’ support remains disconnected from complementary access to (proportionate) funding, and there is no possibility for actual ‘learning-by-doing’, accompanied, and mentored by more experienced professionals. On this point, a CSO director commented that military skills are built through exercises and ultimately on the battlefield; similarly, CSOs need to be able to learn-while-doing.

There is also some common ground. Some INGO interviewees see important complementarities between their access to funding and richer organisational experience and expertise, and the connectedness to and insights in local communities that several Ethiopian CSOs have. They recognise that their effectiveness depends on that contextual expertise. They acknowledge the complementarities between their areas of relevant experience and expertise. Genuine collaboration allows the contributions of each to come together for a shared objective. That implies more shared strategic thinking and decision-making and more collaborative arrangements, system-wide.

Part of the ongoing conversation also relates to the choice of words: ‘sharing the power’ is felt by some to be more realistic at the moment, given that there are still only few Ethiopian CSOs really able to lead with scale and quality. It is also more reassuring for international actors

³ This is in contrast with Oxfam's 3 year Empowering Local and National Humanitarian Actors (ELNHA) project in Uganda and Bangladesh, that created a designed connection between its capacity support and access to its funding facility.



3

for whom ‘shifting the power’ may feel more adversarial and threatening. Notwithstanding, a conversation about localisation cannot avoid the issue of power, who has it, on what basis, and how it is used and possibly abused?⁴

There is a common understanding that localisation means a stronger role and more leadership, not only from the Governmental authorities, but also for and by Ethiopian CSOs. Still, much depends on how this is translated into practice, which is where the differences of interpretation and controversies tend to come to the foreground.

⁴ Relevant resources are the Powercube (www.powercube.net), Greijn & Elbers 2020 and Goodwill 2020.



DIMENSIONS OF LOCALISATION

The analytical framework referred to here is that of the Seven Dimensions, more particularly those four dimensions related to the quality of relationship, finance, capacity and coordination, as per the guiding questions in the ToR.⁵

4.1 QUALITY OF RELATIONSHIP

Though international agencies speak about ‘partners’, the interviews with Ethiopian CSOs indicate that in a majority of cases, relationships remain quite transactional and project-based and live or fall with the availability of funding. Ethiopian CSOs are at best ‘implementing partners’, not ‘decision-making’ partners. As a senior manager of an Ethiopian CSO put it: *“these so-called ‘partnerships’ are not much different from a contracting relationship between a building contractor and the owner of the building. When the project ends, the relationship ends unless another project comes up.”*

There are notable exceptions, however, such as ActionAid and Norwegian Church Aid, which establish multi-year partnerships with mutual accountability, and provide funding support that goes beyond direct project costs to also cover core costs. Also, Oxfam, Welthungerhilfe, Christian Aid, Trócaire, Tearfund and CAFOD invest in longer-term partnerships and try to provide more institutional development support. Note is to be taken that some of these organisations are faith-based.⁶ The interviews conducted give the impression that the modest progress made towards turning Grand Bargain and C4C commitments into practice is often – though not exclusively – carried by international and Ethiopian organisations of shared faith. Shared faith can provide a basis of collaboration and partnership that is more substantial than shared project objectives.⁷ The observation that church networks have been better at partnering was already made in 2009 (Mowjee 2009).

The ACT Alliance and Integral Alliance members are sharing due diligence assessments. That means that one member can accept a solid due diligence review of an Ethiopian CSO as valid and will not subject the latter to its own repeat of the same. This goes in the direction of the ‘due diligence passporting’ that the Start Network has been promoting for some years now. The practice could be extended. It reduces some of the ‘being assessed burden’ on the Ethiopian organisation. At the same time, it remains a one-way assessment and therefore an expression of the power asymmetry. Entering into an equitable partnership should involve a reciprocal assessment of the potential partners.

An interesting finding from the research is that stronger and more equitable partnerships can be the outcome of a collaborative experience over time: the collaboration may have started fairly transactionally, around a project with a limited time frame. But a mutually good experience can lead to a willingness to continue collaborating. As both get to know each other better and trust is built, the power imbalance caused by who controls the finance, is counterbalanced by mutual respect.

⁵ For a detailed explanation of the framework, and cross-cutting themes, see Global Mentoring Initiative 2020d.

⁶ There is a growing amount of literature on faith-based agencies in humanitarian action, that also refers to localisation, sometimes with focus on local faith actors. See for example De Wolf & Wilkinson 2019.

⁷ The prominence of faith-based INGOs in the global localisation conversation has not, so far, been identified as an issue worthy of some more dedicated attention.



4.2 FINANCE: ACCESS, QUANTITY AND QUALITY

The three core issues for national and local actors are: what funding can they access (which depends on the conditions posed) what quantity of funding can they access, and what is the quality of that funding? To survive and thrive, all organisations need a degree of flexible funding. That can be used to cover certain gaps, mitigate cash flow fluctuations, and be invested in strengthening organisational capabilities or developing new ones (such as stronger fundraising capabilities). For international organisations this comes from assessed contributions (for the UN), private donations (for INGOs and some UN agencies) and the management fee (Internal Cost Recovery/NICRA). Few international agencies share part of the available management fee (see also Christoplos et al 2018). The 2016 Grand Bargain commitment only considered quantity. The Grand Bargain Workstream on Localisation has since also started paying attention to the quality of finance. Another issue is the duration of the funding. Grand Bargain commitment 7 calls for more collaborative, multi-year, humanitarian planning and funding.

Two comprehensive studies were conducted in 2018 (by Christoplos et al, for ALNAP) and 2019 (by Austin et al, for the International Federation of the Red Cross) before the new legal framework or before its change impacts would have become visible. Their core observations merit summarising. They are not applicable to the Ethiopian Red Cross Society and REST.

Direct international funding: There are multiple examples of Ethiopian CSOs being directly funded by bilateral donors such as USAID, or multilaterals such as the UN, the EU or the World Bank. Direct funding happens mostly, however, for development and climate change adaptation programming. The text box provides concrete examples.

Direct Funding for Development and Climate Change Adaptation Programming: examples

- World Bank Ethiopian Social Accountability Programme: from 2006 until 2018, some 140 CSOs were supported across Ethiopia which acted as intermediaries to facilitate the use of social accountability tools between service providers and users.
- EU-funded CSO Fund: launched in October 2012 with a total budget of some US\$13m (12m Euro) to increase CSOs' capacity to engage in governance and development activities. Grants are on average from US\$165,000 to US\$220,000 (150,000 to 200,000 Euros).
- CS Support programme: funded by the UK, Ireland, Sweden and Norway. Between October 2018 and February 2019, grants with a total value of some US\$1m (£843,949) were awarded to CSOs.
- USAID Local Capacity Development: more than 100 CSOs participated in this five-year programme (completed in 2019) and were awarded a total of 246 grants worth some US\$21m (616m Ethiopian birr) to implement projects.
- Irish Aid Climate Action: in 2015, Irish Aid provided funding of some US\$1.1m (1m Euros) funding to the L/NGO SOS Sahel and NGO partners (Self Help Africa, Farm Africa and VITA) to rehabilitate the environment around Lake Hawassa (Austin et al 2019).

This inquiry did not find examples of humanitarian donors whose laws or policies would prevent direct funding of Ethiopian CSOs, with the known exception of ECHO, which can only directly fund agencies with a registration in a European Union member state. EU development funding on the other hand can go to local agencies. Women Empowerment in Action is one illustrative example.



Indirect funding for humanitarian action: When it comes to humanitarian work, however, Ethiopian CSOs overwhelmingly have been receiving funding only indirectly, via UN agencies and INGOs, as partners or sub-contractors. An important contributing factor has been, as we have seen, the legislation in place between 2009 and 2019. Indirect funding can represent 100% of a CSO's income, which may find itself working with and for several international agencies at the same time. The quality of funding, however, was often poor. *“According to both INGOs and L/NNGOs interviewed, funding availability implied that financial support was often project-driven (between 3–12 months duration) with limited funds available to cover overheads and other ongoing costs. As L/NNGOs are mainly active in the development field, it is this funding that supports the organisations in sustaining themselves over the long term. Very few UN agencies and INGOs were seen as having a longer-term partner-led approach to working with L/NNGOs. ActionAid was an example that established partnerships (for development initially and later humanitarian activities) with L/NNGOs for up to ten years and provided some funding to cover ongoing costs. Norwegian Church Aid (NCA) established multiyear partnerships with faith-based L/NNGOs as longer-term commitments including mutual accountability and support with funding linked to operational projects. There were no humanitarian funding opportunities prioritizing women-led organisations and/or responses that could be identified by this research.”* (Austin et al 2019:24-25).

Concerns that CSOs constitute a high(er) risk of fraud and corruption are often one source of hesitation to advance more decisively with localisation. Other than ignoring that fraud and corruption also happen in INGOs and UN agencies, the fact that there is substantial direct funding for developmental and climate change adaptation programming should put this concern into perspective.

Funding through pooled funds: Pooled funds are recommended in the Grand Bargain (No author 2016) as one instrument to increase funding for national and local actors. OCHA established a Humanitarian Response Fund in 2006. It is now referred to as the Ethiopia Humanitarian Fund (EHF). In several countries (e.g. South-Central Somalia, Pakistan, southern Turkey for Syria), a country or context-based pooled fund is a source of international humanitarian funding that is more accessible to national and local CSOs. That has not been the case in Ethiopia. Research in 2009 found that, in 2007, INGOs received as much as 77% of the 2007 allocation, but that de facto the fund did not finance Ethiopian CSOs directly (Mowjee 2009). Sometime in 2017, out of 83.3 million allocated, the EHF had allocated only 1.7 million US\$ directly to NNGOs, and 3.1 million through sub-grants (i.e. via an international organisation). Reportedly in its early years, the fund had decided to finance only organisations with a turnover of US\$ 2 million, though this was not stated in the formal rules (Mowjee 2009). In recent years, as mentioned, the requirement to have an international currency account which few Ethiopian CSOs at the time could get permission for, became a barrier. The then international manager of the fund also expressed reservations about making this pooled fund more accessible to Ethiopian CSOs, signaling that the EHF was only interested in organisations which could work at scale (Van Brabant 2017). For many years then, no more than four Ethiopian CSOs received funding from the EHF (REST, SOS Sahel, ORDA and MACMDO). Now others are becoming eligible, such as FIDO, ASDEPO and OWDA. Since April 2019, shortly after the change of legal framework for NGOs and CSOs, the EHF included Ethiopian CSOs into its capacity assessments. This is part of the assessment process to obtain the status of being 'eligible' for funding from the EHF. A remaining challenge for many CSOs is the requirement that for accessing the EHF, they are required to contribute to the cluster and other coordination meetings. Many cannot dedicate the staff time to do so.



Under the new law, authorisation to open a foreign currency account is still required, but – in theory – easier to obtain. The National Bank of Ethiopia is now allowing an NT bank account which NGOs can operate as a dual currency account: they can operate in local currency for local transactions and in foreign currency for overseas transactions. The new strategy for local/national CSO engagement that is being developed should help to make the EHF accessible to more of them. Some INGOs, like Tearfund, are engaging the EHF to discuss better access for their partners. Some Ethiopian CSOs signalled, however, that they felt access remained very problematic, and that the tendency to assess the ‘capacities’ of an agency on numbers like annual budgets, number of staff and vehicles etc. rather than their actual past achievements and performance, was not a good enough approach.

Agency or Network Managed Rapid Response Funds: Several of those have been called upon in Ethiopia:

- IFRC-led Disaster Response Emergency Fund (DREF): A source accessible to the Ethiopian Red Cross Society. In 2018, it received some US\$340,000 for an IDP humanitarian response.
- The Start Fund is active in Ethiopia. Between 2015 and sometime in 2019, it provided grants for rapid response to the value of some US\$3.5m. All grants, however, went to INGOs as first receivers (L/NNGOs could have been sub-grantees although no details were available).
- Other INGO rapid response funds: Some INGOs make funds available to L/NNGOs from rapid response funds (RRF), including the Danida RRF accessible for L/NNGO partners of Danish Church Aid, the RRF of the ACT Alliance available to L/NNGO members in Ethiopia. Also Catholic Relief Services (CRS) has emergency funds (up to US\$20,000) available for mainly faith-based L/NNGO partners in Ethiopia (Austin et al 2019).

The 2019 IFRC commissioned study also identifies barriers for Ethiopian CSOs, and considerations that influence the decisions of international actors.

Barriers: Mention has been made of the impact of the 2009 law that applied until early 2019, and the requirement to have a foreign currency account. In addition, the study identified:

- *Short-term nature of humanitarian funding:* Most funding was on a short-term project basis (3–12 months) that limits the ability to develop sustainable humanitarian activities, systems, structures, and procedures.
- *Repetitive compliance requirements:* L/NNGOs, often working with multiple INGO and UN partners, had to carry out different compliance requirements for each of their international partners, which was burdensome for the smaller organisations, also considering that compliance checks were not mutually recognised by international partners.
- *Donor preference for working with INGOs and UN agencies:* because of historical and contextual factors, donors have tended to favour funding projects led by INGOs and UN agencies, either individually or in consortia (where L/NNGOs were often sub-contractors). This has led to INGOs and UN agencies implementing field activities, and “occupying our space” as one L/NNGO representative put it. For capacity and administrative reasons, donors also preferred to work with consortia rather than managing multiple contracts. It also reduces the donors’ exposure to risk. L/NNGO thought that donors perceived them as having insufficient capacities and experience to manage humanitarian responses.



- *Cluster/taskforce-led humanitarian response:* The Ethiopian humanitarian system is largely managed through sectorial based cluster/taskforces where funding opportunities are discussed and made available. Attendance at cluster meetings can be a requirement to be considered for funding from the Ethiopia Humanitarian Fund. L/NNGOs reported difficulties in attending cluster/taskforce meetings due to limited staff capacity and therefore felt they were missing out on possible funding opportunities.
- *Insufficient commitment of donors, INGOs and UN agencies to develop and use the humanitarian capacity of L/NNGOs:* Some positive examples (STP, individual INGOs) were mentioned but they are a minority. From a CSO perspective, these efforts overall were insufficient in building their capacity and specifically in providing funding to use any capacity or skills developed for humanitarian response.

To fund or not to fund - considerations: Discussions with donors, UN OCHA and INGOs, showed that the following factors influence a decision on whether to provide financing to L/NNGOs:

- Ability of L/NNGOs to carry out humanitarian activities that have largely been limited to short-term food and non-food assistance requiring logistics and considerable field presence of L/NNGOs.
- Knowledge of local context and access to networks and local partners.
- Familiarity with the local government structures that can facilitate the humanitarian responses.
- Availability of financial and administrative systems within L/NNGOs to facilitate accountability and compliance requirements.
- Experience as a longer-term partner for an INGO and/or UN agency.
- Presence and commitment at the community/grassroots level where the humanitarian crises take place.

Longer-term funding: Increased multi-year humanitarian planning and funding is a key commitment in the Grand Bargain (commitment 7). It can also be a critical enabler for localisation.

An example of multi-year awards in Ethiopia comes from the Development Food Security Activities (DFSAs) made by USAID/Office of Food for Peace (USAID/FFP) to NGOs to support the Productive Safety Net Program (PSNP) led by the government of Ethiopia. The PSNP aims to address the basic food needs of nearly eight million chronically food-insecure Ethiopians with both cash transfers and food assistance. The DFSAs support the concept of a single, scalable safety net that addresses long-term chronic food insecurity and reduces poverty. This is combined with a shock-response contingency budget used to address acute needs that arise during the year among the clients covered by the DFSAs and the PSNP programme. USAID/FFP awards this funding to private voluntary organisations (including US and non-US NGOs) which are successful through a highly competitive request for applications in five-year cycles. The awards last for five years, with the funding disbursed through annual grants following a yearly workplan-approval process. A reflection on its features, advantages, disadvantages and learning can be found in FAO, DI & NRC (2020). Ethiopian CSOs are not direct recipients but sub grantees through INGOs.

Yet the ALNAP-commissioned study of 2018 found that even for climate change adaptation programming, which really requires longer-term funding, timeframes were often unrealistic,



“with pilots ending even before the basic equipment is fully installed” (Christoplos et al 2018:30). A key recommendation of the study is for a better mix of long-term and short-term development, humanitarian and climate funding (idem).

No dedicated pooled fund or national fund managers: Unlike as seen in some other countries, there are no national fund managers in Ethiopia.

Domestic resource mobilisation: Ultimately, the power inequality between international and national/local agencies will not be significantly reduced until the latter also has other sources of funding, particularly domestic ones.

Funding from the State: Funding available for L/NNGOs from the authorities was mainly available in the development area, for example financial support from regional governments for development activities. The ERCS received financial support from the authorities for their ambulance service and to cover some core costs.

Income from membership: Ethiopia has a rich tradition of membership-based voluntary and community organisations. CSOs report that many citizens support their organisations by volunteering, for regular services or emergency response. Some also generate some income from membership contributions. “For example, the Tigray Women’s Association, reported that in 2014 they collected US 35 cents (10 Ethiopian Birr) per person per year for membership fees from some 700,000 members. This would amount to an annual income of some US\$238,000 (7m Ethiopian Birr). In 2019, ERCS reported some 6.1m members who also pay US 35 cents per person per year, which would amount to over US\$2m annual income from membership.” (Austin et al 2019: 36-37).

General public giving: Ethiopian CSOs, with the exception of the Ethiopian Red Cross Society, cannot easily mobilise larger domestic resources from the general public and do not yet have the ‘know how’ to do so. “ERCS reported that in 2018 they had raised locally some \$US610,000 (18 million Ethiopian Birr) to support its humanitarian activities for IDPs. Faith-based L/NNGOs also reported raising funds and collecting non-food items through their parishes. For example, the L/NNGO Terepeza Development Association (TDA) reported raising some US\$7,000 (200,000 Ethiopian Birr) from parishes and collected clothes to support victims of a landslide in the Southern Nations, Nationalities and People’s Region (SNNPR) in 2018. (...) The main barrier seen in relation to domestic resource mobilization was cultural in that Ethiopians were not used to giving to local organisations to support development or humanitarian activities.” (Austin et al 2019: 36-37). To this we must add the absence of a legal framework that provides fiscal incentives to private giving to non-profit associations.

Philanthropy: The economic development has generated significant private wealth for some individuals or families. Wealthy individuals have set up e.g. a bakery complex which sells its products at a low price or invested in a battery-driven vehicle. But there is no larger philanthropic support for CSOs and their causes, and a concern that if they start doing so, they will be overwhelmed by requests.

Income generation and social enterprise: The legal framework is not fully enabling for this. “To establish income-generation activities, the 2009 civil society law required CSOs to set up a separate business entity, as does the new 2019 law, effectively discouraging them from pursuing this fundraising possibility. ERCS does conduct several income-generation activities, such as training centres, but they are not governed by the civil society law.” (Austin et al: 36-37).

Still, this research identified examples of CSOs that have developed income generating activities, such as WISE (an ActionAid partner) which has built a training centre that provides income, and the Centre for Development Initiative that has invested in properties such as a guesthouse, stores, and other buildings that generate rental income. PADET is another



organisation seeking to find more regular sources of income to increase its financial stability. Firstly, for the past 15 years, staff members have been contributing 1% of their salary towards advancing the organisation's mission. PADET is also experimenting with social enterprise ideas. It intends to set up a life-skills and vocational training centre in Woldia. Having secured a 500 square meters plot of land in Sebeta from the municipality, it will build its own office there, but is also developing a business plan to construct a mother-and-child clinic in the compound and a youth development centre. Development and private sector actors are more inclined to support such enterprises than humanitarian ones.

Private sector: The notion of 'corporate social responsibility' (though not so far 'contribution to society') is being picked up by Ethiopian private sector companies, but for now only beginning to translate into support for CSOs. One positive example however would be Ethiopia Telecom which supported CSOs such as Merry Joy and others. As for giving by the general public and wealthy individuals/families, missing here too is a legal-fiscal framework to encourage this private sector contributions to non-market-oriented activities. Nor is there a platform to connect the private sector efficiently and constructively with CSOs.

4.3 CAPACITIES

The capacity trap: Mention has already been made of the 'capacity trap'. This has been identified repeatedly in prior research as the following quotes show.

The interviews conducted for this research confirmed the vicious circle, and the inadequacy of 'capacity development' that does not acknowledge it and offers no means to break out of it. No capacities can be practiced if the organisation cannot access funding, and no capacities can be retained if the organisation itself cannot stabilise and develop.

“**The nature and requirement of the existing humanitarian response system is such that there is no mechanism for a gradual exposure of a learn-by-doing type of scheme to nurture LNGOs, as practiced in the development field.**”

(MELA Services 2016:32)

“**The overwhelming majority of Ethiopian CSOs lack the capacity and operating scale to make a significant shift from development to humanitarian response. This results in a 'chicken or egg' conundrum in that they lack the capacity to attract and use large-scale humanitarian funds, which means that they cannot obtain the support they need to begin growing.**”

(Christoplos et al 2018:24)

Dedicated investment in capacities: There is a lack of dedicated funding to invest in strengthening Ethiopian capacities around humanitarian action. Few, like Oxfam Ethiopia or previously the Shifting the Power project, have a separate budget for this purpose.

Capacities beyond compliance and standards: The international relief sector puts much emphasis on capacities to meet the increasingly heavy compliance requirements and internationally developed standards. Capacity support therefore can be oriented more towards being able to operate in the world of the international relief sector rather than in the particular context in which a crisis unfolds.

Access to quality finance, and the ability to handle it with responsible and accountable stewardship, is a core enabler. But Ethiopian CSO interviewees also very clearly signalled that a stable and credible organisation is not only a matter of finance. This also depends on



the quality of leadership, good governance, a motivating organisational culture that leads to strong staff commitment, integrity as a deeply held value, well-functioning systems and responsible stewardship of available resources, presence in the spaces where key discussions take place and decisions are made, and the ability to communicate one's identity and roles but also one's achievements.

Capacity assessments and capacity support: International agencies need to reflect critically on the drawbacks of individually offered, and hence fragmented, 'capacity development' approaches. Ethiopian organisations, like national and local actors elsewhere in the world, are often subjected to multiple assessments of their 'capacities'. And certain capacity support can already have been provided by others. It may also remain supply driven, disconnected from an organisational development strategy of the national organisation. Within the ACT Alliance, 12 members of which are present in Ethiopia, there is internal agreement that when a member intends to undertake a 'capacity assessment' or provide 'capacity support' to a national organisation, there is first active verification whether another member agency may already have done so. If still justified, the initiative is then redesigned to be complementary rather than duplicating. Sensible as this already is, it should be a more broadly shared practice for all operating in Ethiopia. However, the situation also suggests that the national or local organisation is still too much of a passive recipient of 'capacity support'. If it had its own organisational development strategy, then it could and would lead on the coordination of the support offered by different international supporters.

Capacity exchange/capacity sharing: Capacity building or capacity development is spoken about as a one-way process, from international to national/local organisations (non-governmental and governmental). The underlying image is of one set of agencies having all the capacities, and others needing to learn from them. Do international relief agencies learn nothing from Ethiopian CSOs, other than their insights into specific contexts?

Confident and capable CSOs: Notwithstanding significant obstacles, several Ethiopian CSOs are showing the self-confidence and capability to be significant and leading actors. Illustrative examples are Rift Valley Children and Women Development Organisation, Women Empowerment in Action and HUNDEE.

Capacities for rapid emergency response: Some have been strengthening their capacities for rapid emergency response. HUNDEE, Association for Sustainable Development Alternative and SOS Sahel are some illustrative examples. Note that SOS Sahel is connected to an international network and was one of the few that could access the Ethiopian Humanitarian Fund in previous years. Some benefitted from the capacities-assessment and support from the Shifting the Power project. Training would have included quality standards on emergency response, cash programming, post-distribution monitoring, accountability to affected populations etc. SOS Sahel, for example, now has a trained emergency response team of 15 core staff, spread across its headquarter and branch offices, with assigned roles and responsibilities. Some have a roster of people they will call upon. The infrastructure (offices, stores) of national or local CSOs is sometimes relied upon by UN agencies or INGOs for their rapid response. The stronger ability to mount a quality response does not automatically mean they can do it at scale. And any rapid emergency response still requires fast access to somewhat flexible funding and essential goods, two core factors that may remain beyond their control.

While this is progress, perspective needs to be retained: It may not be the best proxy indicators, but it is telling that in the 2019 Humanitarian Response Plan, of the 81 humanitarian actors included, only three were local or national NGOs.



4.4 COORDINATION

Today, the Ethiopian government, supported by the UN-based system, remains the lead actor in coordination. Here too 'localisation' in the sense of 'government leadership' can be said to be the practice. The centralised structure of the federal disaster management set-up is mirrored in the centralised set-up of the UN coordinating and strategic decision-making structure. The overview of the humanitarian infrastructure in Ethiopia indicates the complexity of the management and coordination structures – and gives a sense of the staff-time required to regularly engage with different key coordination and decision-making platforms, at different levels. Only well-resourced organisations can afford to dedicate the required staff time.

Through HINGO, four INGOs have had a seat on the Humanitarian Country Team. For some time now, CCRDA as umbrella agency has also had a seat. The overall limited presence of more CSOs so far can be explained by the same vicious circle that this report described: As the environment in which they had to exist became more restrictive, they could not develop or lost some ability to engage in humanitarian action, certainly at scale. With little or limited experience and roles in the collective responses, they could neither bring to nor get much value from participating in time-consuming coordination meetings. Also, the Government did not encourage a greater CSO participation. With the gradual changes in context, more opportunity is slowly appearing. The process is now underway to bring three more Ethiopian CSOs into the HCT: SOS Sahel, EECMY and MACMDO. Numerically at least, that will provide balance between INGOs and Ethiopian ones. Understandably, there will be a learning period before they can become active and influential contributors.

For some time now, the CCRDA also participates in HINGO Forum meetings.

Within the constraints of this research, it was not possible to explore the dynamics in coordination spaces in the various States that make up the Federation. It must be assumed that there are possible strong variations, in terms of the strength of governmental leadership, and the presence and influence of sometimes more local CSOs.



GENDER, HUMANITARIAN ACTION AND LOCALISATION

The Grand Bargain has been criticised for not being sufficiently gendered. As a result, a few months after the World Humanitarian Summit, a 'Grand Bargain friends of gender group' came into being. Though gender concerns women and men, in practice, in recent years the global attention has been very focused on women's rights, women-focused and women-led organisations.

The Federal Government of Ethiopia tends to have a gender-balanced Cabinet. Gender equality, however, does not exist at all levels and in all sectors of society. Ethiopian women generally still have less access to education, training and exposure to different experiences and perspectives, as they continue to be the primary carers of the family.

Gender issues are expected to be mainstreamed in the extensive developmental programming in the country. Otherwise, there are less women's rights focused CSOs than more generally focused ones, and less women-led than male-led ones. Strong and capable women-leaders do exist, however. They can be found in CSOs like Women Empowerment in Action, Women in Self-help Employment (WISE), Mary Joy, and Union of Women and Children Association (UEWCA). UEWCA has 80 member organisations of which 54 (62%) are led by women. It is a key partner for the Ministry of Women, Youth and Children, and currently takes part in a regional African Women Development and Communication network. UEWCA was also very active in the advocacy for change in the 2009 law. There are other Ethiopian women in senior positions. For example, the female Senior Programme Director of the CCRDA represents the network at the HCT. Some INGOs, like ActionAid, are also led by Ethiopian women.

The inquiry found no structural bias against women-led and women's rights focused organisations. For gender-related programmes, obviously women's rights organisations often have a comparative advantage, although that can also lead to a misplaced, stereotyping, association of women's organisations with 'women's issues'. Otherwise, women interviewed for this research, felt that the same credibility criteria were used for them as for male-led organisations: good leadership, technical competency, ability to write a convincing proposal, good external communications, and public relations. Some mentioned that women have less time than men for informal networking which can be a factor to open doors and access support. Note is to be taken that there are also organisations active on women's issues, led by men. An example is the Mothers & Children Multi-sectoral Development Organisations – which has been able to access funding from the EHF.



SUMMARY OBSERVATIONS

Vulnerabilities to crises with humanitarian consequences

Ethiopia remains vulnerable to different types of crises with humanitarian consequences. Given a rapidly growing population, recurrent cycles of drought, and climate change impacts, chronic food insecurity remains a threat. Rapid onset emergencies such as floods can affect populous cities like Dire Dawa and Afar Regional state. Internal displacement is driven by infrastructure development, urbanization and conflict. Currently, the number of IDPs is estimated to be approx. 2 million.

In addition, Ethiopia is one of the largest refugee-hosting countries in Africa, sheltering 763,827 registered refugees and asylum seekers as of 31 May 2020. To further give a sense of scale: OCHA in 2019 estimated that 8.86 million people in Ethiopia required humanitarian and protection assistance – nearly 10% of the total population.

Addressing food insecurity is strategic government priority

Addressing chronic and acute food insecurity, including structurally, has been a strategic priority for the Federal Government. Ethiopia's role as an activist, developmental state, where the government is a primary economic and protection actor, can be considered a clear example of successful localisation.

Extensive top-down government disaster management and coordination

The Government has its own extensive disaster management and coordination structure down to the lowest administrative level, and co-leads many of the parallel UN-coordination structures. Though constitutionally a confederation, and with policies encouraging people participation, the disaster management system in practice is very top-down, with strategic resources controlled at Federal level. The rigidity and lack of flexibility are not enabling for 'localisation' in the sense of "being led by locally-embedded actors".

The strong governmental emphasis on the structural threat of food insecurity has led to a justified developmental approach that international aid agencies now refer to as 'nexus'. The recent increase in conflict, both politically and development induced, however, raises the question whether all relief actors have been too aligned to the government strategy, and need to regain some independence, grounded in humanitarian principles. The skill lies in doing this without it triggering a new restricted space.

Legal restrictions for CSOs worked against localisation

While there is strong governmental leadership, for a decade (2009-2019) Ethiopian non-governmental actors have been confined by a legal framework that provided major disincentives for international actor investment in their individual and collective institutional reinforcement. This has changed only recently, the overall perception is now that of a much more enabling legal environment. Still, there is no explicit government support to encourage donors, the operational agencies of the UN, and INGOs to support and strengthen Ethiopian CSOs more systematically and effectively yet.

Localisation conversations limited in scope and participants

Spaces for localisation conversations exist, there is even some renewed momentum about localisation. However, they almost exclusively take place in Addis Ababa, the focus is mainly on technical, i.e. capacity issues, and only a few INGOs and CSOs are actively involved.



6

Successful localisation projects but no systemic change

Overall, international relief actors have been inclined to involve Ethiopian CSOs merely as sub-contractors, rather than work with them as equitable partners. There are notable exceptions, however. The Start Network's Shifting the Power project in particular, and the longer-term partnering approaches of some INGOs (more often than not faith-based), were and remain important efforts to advance localisation among CSOs. But by themselves, they were and are not enough to have a broader impact on the situation that prevailed until 2019. Project-based initiatives that do not generate momentum for change among more and key actors do not lead to more systemic change.

Inadequate measures to address capacity shortcomings

The 2009-2019 contextual disincentives to invest in institutional capacity support are a layer on top of more structural weaknesses in the international relief sector in this regard. Approaches to 'capacity development' that focus on policies and procedures and technical expertise, have little lasting impact. Organisational development expertise requires more than technical/managerial expertise. And capacity support of an organisation needs to be combined with giving it access to finance, so it can practice what it learns and learn from practice.

Hardly any direct humanitarian funding for Ethiopia CSOs

While some Ethiopian CSOs received and receive direct funding for their developmental programming, humanitarian funding overwhelmingly passes first through the UN and INGOs. There are no national fund managers in Ethiopia. Unlike in several other countries, the Ethiopia Humanitarian Fund so far has not been a more accessible source of finance. Most relief funding remains short-term and does not always cover CSO's core costs. Grand Bargain commitment 7 to more multi-year planning and funding, though relevant given Ethiopia's structural and recurrent humanitarian challenges, is not practiced. Ultimately, only more domestic income can reduce the dependency on international aid.

CSO representation in coordination structures limited by lack of resources

The presence of Ethiopian CSOs in government- and UN-led humanitarian coordination structures is beginning to increase, but also needs to translate into meaningful participation and effective influence. Insufficiently resourced organisations, however, cannot afford the staff time to attend a multitude of meetings, even if it can bring the benefit of greater visibility among international actors, and potential access to the Ethiopia Humanitarian Fund.

Significant scope for better gender equity

Though there are some capable women's (and children's) rights-focused organisations, and various capable women leaders, there remains significant scope for better gender equity.

Better access to funding crucial for localisation

The change in CSO law in early 2019 has now created new opportunities to more vigorously pursue localisation. The increased presence of Ethiopian CSOs in some core coordination structures, and a strategy being worked out with OCHA, which manages the EHF, for greater engagement with CSOs, may provide entrances for slowly increasing inclusion.



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