Report

2025 UNHCR-NGO Regional Consultations
East and Horn of Africa and Great Lakes Region (EHAGL)

Localization in Crisis or Transition?

Navigating aid cuts amidst a humanitarian reset in East and Horn of Africa and Great Lakes Region

17 June 2025



As part of the UNHCR Regional Consultations with NGOs 2025, a Regional UNHCR/NGO Consultation on "Localization in Crisis or Transition? Navigating aid cuts amidst a humanitarian reset in East and Horn of Africa and Great Lakes (EHAGL) region took place on June 17 the 2-hour virtual consultation was attended by 187 participants from NGOs, Organizations led by displaced and stateless persons and UNHCR. The EHAGL Region covers 11 countries which are Burundi, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Somalia, South Sudan, Sudan, Tanzania, and Uganda. This session served as a timely forum to recalibrate localization efforts amid a complex funding environment and shifting humanitarian priorities. The outcomes of the 2025 Regional Consultations will contribute to the NGO report of the 76th Plenary Session of the UNHCR Executive Committee (ExCOM).

Despite longstanding commitments to localization, humanitarian funding to local and national actors in the EHAGL region remains disproportionately low. Global benchmarks such as the Grand Bargain target 25% of aid to local responders, yet contributions from the Grand Bargain signatories are below 5%¹, highlighting a persistent gap between commitments and practice. Amid shrinking humanitarian space and drastic funding cuts caused by the suspension of U.S. foreign aid and declining budgets from other donors, this session of the 2025 UNHCR/NGO Consultations offered a timely platform for actors to collectively assess the implications, identify practical strategies, and chart a new course for resilient and equitable humanitarian action.

Key Impacts of Funding Cuts

According to the results of the assessment conducted by ICVA on the impact of US foreign aid suspension on local and national actors, over 60% of these actors have had to either close down operations or reduce their operational presence in locations where aid is most needed. These funding cuts have not only affected direct programming but also deeply embedded co-financing

¹ Global Humanitarian Assistance Report 2024. Global Humanitarian Assistance Report 2024 | Knowledge for policy

arrangements, enabling infrastructure, and key humanitarian services. Moreover, vulnerable forcibly displaced populations and their host communities are bearing the brunt of funding cuts. Humanitarian operations across the EHAGL region are undergoing significant strain. UNHCR has reduced staffing, closed offices, and scaled back key services, including Gender-Based Violence and child protection programs in several countries. Some of the drastic measures taken by humanitarian partners include reduction of food rations for refugees across the countries, the closure of safe spaces for women and girls in Somalia, reduction of child protection case-workers in settlements in Uganda despite an ongoing influx of refugees from the DRC and South Sudan, and the closure of child protection and Gender-Based Violence (GBV) programs in Maban, South Sudan. The most vulnerable populations are being disproportionately impacted by reduced access to protection services, food aid, education, health and livelihoods services.

National NGOs: There was deep concern over the abrupt and unplanned funding reductions, which required them to step up as sole service providers in many locations without adequate transition time or preparatory support. The withdrawal of technical guidance, capacity support, and collaborative problem-solving by international actors has resulted in a decline in quality assurance and innovation capacity. With significantly fewer resources against the increasing or sustained needs in protection services, it is impossible for national organizations to maintain humanitarian standards. National actors are now forced to make difficult decisions about prioritizing services and fulfilling commitments without a clear roadmap or support system. While local actors remain committed to their work, the lack of sustained collaboration, expertise, and dialogue with international partners poses serious risks to the impact, quality, and sustainability of humanitarian efforts.

Refugee Women-led Organizations: The ecosystem of local actors includes Women-led organizations (WLO), such as the African Refugee Women Network (ARWNET). They are indispensable in addressing the unique needs of refugee women and children, who form the majority of displaced populations in particularly in countries like Uganda, Ethiopia, Sudan, and Kenya, which host the largest refugee populations in the region. However, drastic humanitarian funding cuts have severely undermined their ability to deliver critical services, including advocacy, legal aid, psychosocial support, and economic empowerment programs. As resources dwindle, poverty deepens, vulnerabilities intensify, and the risks of GBV escalate. Many women-led groups, including grassroots ones face structural barriers such as lack of registration and access to banking, which further limits their ability to secure donor funding and to scale up when the international organizations are scaling back. Women-led RLOs face compounded barriers, including systemic discrimination and insecurity, despite their proven grassroots leadership in protection. Despite these challenges, WLOs remain committed to long-term community transformation, recognizing that empowering women is essential to protecting families and breaking cycles of exploitation. Sustained and targeted funding is urgently needed to support their vital work.

The Impact of Shrinking Humanitarian Aid on Displacement Solutions: The recent reduction in humanitarian funding is also jeopardizing critical progress toward durable solutions for displaced populations across the region. Donor investments have previously enabled integrated, sustainable programming and the development of supportive national and regional policy frameworks. However, these gains are now at risk with funding constraints forcing humanitarian actors to scale back, reassess priorities, and potentially revert to fragmented, short-term

interventions that undermine long-term impact. There are particularly vulnerable "in-between" contexts—neither acute emergencies nor stable enough for development aid—which risk being overlooked. Moreover, the shift toward targeting only the most visibly vulnerable populations may exclude others equally at risk but less able to navigate local systems. Local actors are best positioned to ensure inclusive, community-informed responses, yet their ability to do so is being eroded by reduced support. While a comprehensive package of solutions to displacement remains essential, many of these pathways are under strain with a significant decline in resettlement opportunities due to waning commitments from traditional resettlement countries. Voluntary return while ongoing is constrained by inept conditions in countries of origin beyond humanitarian control. In this context, there is a growing risk that localization is viewed not as a means to strengthen solutions but as a cost-saving measure. There is a risk of shifting responsibility without adequate support. To avoid this, donors are urged to sustain and strategically align funding from the onset to ensure that durable solutions remain a central pillar of humanitarian response. Support should be designed to empower local systems from the outset of displacement and ensure that Development actors support host governments in ensuring the progress made in integrating refugees into national systems and that this process is resourced and sustained. The need for predictable, multi-year funding to support meaningful transitions in sustainable response programming was also emphasized.

Localization under pressure: Local organizations and Refugee Led Organizations (RLOs) play a vital role in displacement-affected communities. They are the trusted first responders and longterm actors embedded in displacement-affected communities, local organizations. However, many of these organizations are struggling to sustain service delivery in fragile contexts due to limited access to donor funding. In particular RLOs often operate on minimal budgets without financial buffers, making them highly vulnerable to funding cuts. Funding reductions have led to program suspensions in critical areas such as education, livelihoods, mental health, disability inclusion, and legal aid, along with staff layoffs and closure of community hubs. Unlike larger organizations, they remain largely excluded from direct humanitarian funding and strategic partnerships due to complex eligibility requirements, lack of legal recognition, and perceptions of limited capacity. Most RLOs are unregistered and often relegated to sub-implementer roles, denying them meaningful participation in strategy and decision-making. They receive negligible amounts of funding compared to what is required to deliver. While RLOs rely on peer support, volunteering, and networks like RELON and ARWNET to cope, these are only temporary solutions, and a sustainable ecosystem must be supported. Prevailing mindsets that view RLOs as "risky" or "too small" must shift to enable equitable funding and full inclusion, especially as government-led integration efforts expand and localization becomes a central pillar of humanitarian response. A critical structural shift is necessary to underscore that true localization must centre refugee leadership and ensure equitable and quality funding, otherwise localization risks becoming tokenistic, widening the gap between the rhetoric and practice of localization. A shift in mindset and structure is needed to build systems that reflect the reality that local actors, whose legitimacy stems from community trust rather than institutional endorsement, are best positioned to hold the system accountable. The situation calls for boldness and bravery within the humanitarian community to accelerate the shift in power toward locally led action.

Centering local leadership and delivery: Amidst funding shocks and donor retrenchment, a growing chorus of voices is calling for a reimagining of how aid is delivered, one that places local

actors at the centre and shifts from deliverer-led to enabler-supported humanitarian action. Local actors remain operational and deeply embedded in communities and the first and last responders. Even where government authority is often limited or absent, or where the humanitarian community is shrinking, people are still served—not by the traditional state apparatus, but by clan elders, women's groups, local faith actors, informal coalitions and community-based organizations. Refugee Organizations including networks like Refugee-Led Organization Network (RELON), African Refugee Women-Led Network (ARWNET), and national NGO platforms continue to facilitate coordination, peer support and capacity building. The inclusion of refugee leaders from ARWNET, with a member RLO, the first registered women-led RLO in Ethiopia, illustrates the power and potential of elevating marginalized groups and underscores the need for targeted institutional development and funding for women-led, stateless-led, IDP-led, and disability-led organizations.

Engaging with donors and the international community: There are donors who are keen to support local actors and RLOs with funding and capacity-building. UNHCR and other international organizations reaffirmed their commitment to localization and are supporting local organizations and RLOs. Donors like the Hilton Foundation and others are supporting RLOs and working to increase the flow of funding. Nonetheless, there remains a critical need to expand the space for local organizations to lead in program design, decision-making, and implementation. This includes ensuring their meaningful participation in coordination platforms and funding discussions, and fostering equitable, inclusive partnerships rather than perpetuating top-down subcontracting models. Furthermore, policy advocacy and support for legal reforms to enable registration and recognition of local actors are also necessary and required the development of streamlined Standard Operating Procedures with governments to ensure support for the right to work and other aspects of economic inclusion and achieving the commitments of the Grand Bargain. Partnership frameworks need to be reviewed, due diligence processes and simplified to enhance accessibility.

Looking forward: Key elements to ensure that localization is in transition and not in crisis include strengthening Meaningful Refugee Participation (MRP), particularly in shaping policies and influencing agendas. Refugees need to be part of decision-making processes, not only with their lived experience but also their expertise. Refugees Seeking Equal Access at the Table (R-SEAT) and other allied partners have been championing MRP as a key agenda that should not be treated as a distant goal but as a crucial means to achieve effective localization outcomes and refugee responses. NGOs emphasized that the localization agenda must go beyond shifting responsibilities to addressing local legitimacy and fostering real collaboration. "UN agencies and INGOs must step back when appropriate, share space, and support local leadership with humility—not merely transfer risk and responsibility." Dialogue is necessary and delaying these difficult conversations risks deepening fragmentation in an already overstretched system. More trust in local systems is needed and localization should be embraced not just as a funding or operational shift, but as a guiding principle across all humanitarian programming. The need to support the creation of national and regional NGO networks for advocacy and collaboration was also flagged.

While donors were not a part of the UNHCR and NGO consultation, the need for them to be engaged in follow-up dialogues was emphasized. In addition, there was a call for donors to loosen conditionalities that inhibit local actors from accessing funding. Donors are also critical in

discussions to ensure that funding enabled local actors to do serve as implementers, coordinators and leaders of the response.

Recommendations

1. Finance Differently: Multi-Year, Direct, and Flexible Funding

- Donors and UN agencies must reconfigure funding mechanisms to provide predictable, multiyear, and core funding directly to national NGOs and RLOs, with RLOs explicitly prioritized within Grand Bargain targets of 25%, also recognizing that RLOs face additional legal, policy, political and structural barriers.
- Simplify application and compliance processes to make funds accessible to marginalized organizations such as the unregistered and community-based organizations, especially womenled groups.
- Reduce reliance on intermediary organizations and ensure funds reach frontline responders without excessive administrative filtering.
- Loosen donor conditionalities to support leadership and coordination capacities, not just implementation.
- Durable solutions remain a central pillar of the humanitarian response, with a key role for local actors.

2. Shift Power: Institutionalize Local Leadership in Coordination and Meaningful Refugee Participation (MRP) in Decision-Making Processes

- Strengthen the Meaningful Refugee Participation in shaping policies, influencing agendas, and ensure refugees are part of decision-making processes through the utilization of their lived experience and expertise.
- Promote inclusive governance structures that recognize RLOs and national NGOs as equal partners. This includes ensuring that RLOs have co-leadership roles in humanitarian coordination, response planning, and resource allocation.
- Support legal and policy reforms across countries in the region to facilitate formal recognition, registration, and operating space for local organizations including RLOs.
- Donors play a critical role in encouraging UN agencies and INGOs to step back strategically and elevate local leadership.

3. Build Systems: Invest in Capacity, Learning, and Cross-Sector Collaboration

- Prioritize investments in institutional development, leadership training, governance systems, and Monitoring, Evaluation, Accountability, and Learning (MEAL) capacities of local actors.
- Recognize that local actors have proven capacities and expertise developed over years of work in their communities and across multiple levels: local, national, regional, and global and engage them genuinely in the decision-making process.
- Foster peer-to-peer and cross-border learning through regional knowledge exchange platforms. Intentionally elevate and provide targeted support to marginalized groups, including stateless-led, IDP-led, women-led, and disability-led organizations. -
- Integrate private sector, local authorities, and development actors into a broader localization ecosystem that supports durable solutions.
- Promote joint planning, inclusive partnerships, and context-specific approaches.
- Align coordination frameworks with contextual realities to address fragmentation, reduce duplication, and promote mutual accountability.

Conclusion and Way Forward

Localization in the EHAGL region is at a pivotal crossroads. Humanitarian actors must seize this moment not only to protect existing gains, but to fundamentally shift how aid is delivered. Localization is not simply a policy or funding choice—it is a foundational principle that must guide action. It requires courage to have difficult conversations, willingness to challenge outdated structures, and commitment to trust, equity, and mutual respect. Above all, it requires enabling local legitimacy and meaningful refugee-participation to build systems that truly serve displaced communities.

This report serves as an initial contribution toward shaping concrete, actionable inputs for the 76th Executive Committee and beyond. It calls on all stakeholders—UN agencies, INGOs, donors, national NGOs, and RLOs—to reimagine humanitarian aid in a way that enables, not overshadows; supports, not controls; and ultimately builds a more just, inclusive, and resilient system in the EHAGL region. Ahead of the EXCOM, the conversations continue, and the cohosts of the consultation agreed to facilitate a dialogue between local actors and donors.

This consultation was cohosted by **ReDSS**, **ICVA**, and **UNHCR**.

List of Speakers:

- 1. **Opening Remarks:** Catherine Wiesner, Head of External Engagement, Regional Bureau, EHAGL, UNHCR
- 2. **Scene-Setting:** Davina Saïd, Head of Forced Displacement, International Council of Voluntary Agencies (ICVA)
- 3. **Moderator:** Ishimwe Jean Marie, Refugees Seeking Equal Access at the Table (R-SEAT), East Africa Regional Lead

Panelists

- 1. Jason Bell, Regional Durable Solutions Adviser/Head of Thematic Unit East and Southern Africa, Norwegian Refugee Council (NRC)
- 2. Fred Bully, Executive Director, Humanitarian & Development Consortium (HDC), South Sudan
- 3. Fatima Mohammed-Cole, Deputy Director, Regional Bureau, EHAGL, UNHCR
- 4. Jean Paul Kisika, Executive Director Refugee-Led Organization Network (RELON), Kenya
- 5. Jerry Lukundo, Refugee-Led Organization Network (RELON), Uganda
- 6. Shadya Abduljabbar, Chairperson, African Refugee Women-Led Network (ARWNET), Ethiopia

Closing Reflections

1. Patience Kiara, Director, Regional Durable Solutions Secretariat (ReDSS)

Vote of thanks

- 2. Joanina Karugaba, Senior Inter-Agency Coordination Officer, Regional Bureau, EHAGL, UNHCR
- **53 Organizations attended the session with 187 participants:** ACF, AWO International, CAFOD, CARITAS, COHERE, Danish Red Cross, DCA, CUAMM, DRC, EU ECHO, FCA, GIZ, HDC AFRICA, HIAS, ICVA, IHL CentrE, IHS Ethiopia, IRC, JRS, LM International, LWF, MALTESER, Medical Teams, Mixed Migration Council, NCA, NRC, OXFAM, PAPDAA

Ethiopia, Plan International, Population Council, Pride Centre, RCK Kenya, Red Cross, Red Cross AU, Refugee Women And Youth Aid, Refugee Council, RefugePoint, ReDSS, RELON Kenya, RELON Uganda, Right To Play, R-SEAT, SOS, Street-Child, SUDAN FPA, Swiss Church Aid, The Johanniter, TPO Uganda, UNFPA, UNHCR, Welthungerhilfe, Windle Trust

Reading and Listening

Refugees in numbers

- 1. <u>Refugees, Asylum Seekers, Internally Displaced Persons and Returnees in the East and Horn</u> of Africa and the Great Lakes Region
- 2. UNHCR's 2025 Global Trends Report

Localization

- 1. Factsheet: UNHCR localization | UNHCR 2025
- 2. <u>Multi-Stakeholder Pledge on Advancing Localization in Displacement and Statelessness</u> Responses, Global Refugee Forum
- 3. Multi-Stakeholder Pledge on Meaningful Refugee Participation, Global Refugee Forum
- 4. <u>IASC Guidance on Strengthening Participation, Representation and Leadership of LNAs in</u> IASC Humanitarian Coordination Mechanisms
- 5. Global Mentoring Initiative
- 6. Five Organizational Pathways for Enabling Meaningful Refugee Participation: A step -by-Step Implementation Guide Cohere report July12.pdf
- 7. LERRN: The Local Engagement Refugee Research Network Newsletter

Listening list- on YouTube, Spotify or where you listen to your podcasts

- 1. Power Shift, The New Humanitarian
- 2. Are We All Listening? Cohere Podcast
- 3. Are We All Listening? Episode Four: Ishimwe Jean Marie
- 4. Understanding the Humanitarian Reset: Webinar for WLOs and WROs-Gender-Based Violence Area of Responsibility

Impact of Funding – Humanitarian Reset

- 1. Lives on the Line: The Human Impact of US Foreign Aid Shifts ICVA
- 2. The IASC Humanitarian Reset examined ICVA
- 3. The Humanitarian Reset ERC Letter to IASC Principals (11 March 2025) | OCHA
- 4. 90 Day Suspension Resources ICVA
- 5. The IASC Humanitarian Reset examined ICVA
- 6. Rebalancing the Reset: Reflections on a 33% increase to CBPFs ICVA
- 7. Impact of funding crisis on work of Organizations led by Displaced and Stateless Persons 30 April 2025
- 8. <u>COFEM's Open Letter to Mr. Tom Fletcher, the United Nations Under-Secretary-General for</u> Humanitarian Affairs and Emergency Relief Coordinator
- 9. Localisation beyond the Grand Bargain: Structural contradictions in the Global South June 2025
- 10. At a breaking point: The impact of foreign aid cuts on women's organizations in humanitarian crises worldwide | Publications | UN Women Headquarters
- 11. Why refugee-led organisations are key to the humanitarian reset July 2025