

METRICS MATTER III: COUNTING LOCAL

A cross-donor analysis of
direct funding



May 2025



WHO WE ARE

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Acronyms

Australia-DFAT	Australia Department of Foreign Affairs and Trade
CSO	Civil Society Organisation
Canada-GAC	Global Affairs Canada
GNI	Gross National Income
IASC	Inter-Agency Standing Committee
IATI	International Aid Transparency Initiative
Netherlands-MFA	Ministry of Foreign Affairs of The Netherlands
NGO	Non-governmental organisation
ODA	Official Development Assistance
OECD DAC	Organisation for Economic Co-operation and Development's Development Assistance Committee
UK-FCDO	United Kingdom Foreign, Commonwealth and Development Office
UN	United Nations
USAID	United States Agency for International Development



Executive Summary

The localisation of humanitarian and development assistance has become an increasingly prominent priority in global aid discourse, with many donors committing to shift power and resources towards local organisations. Despite these commitments, concrete evidence of progress has been limited. Metrics Matter III, the third in Publish What You Fund's [Metrics Matter](#) series, assesses the extent to which five donors – Australia-DFAT, Canada-GAC, Netherlands-MFA, UK-FCDO, and USAID – are directing official development assistance (ODA) directly to local organisations.

Using a consistent and independent methodology developed by Publish What You Fund, this research assessed the proportion of direct funding to local organisations by analysing disbursement data published to the International Aid Transparency Initiative (IATI) Standard. The analysis reviewed a select number of sample countries for each of the five donors (five for Australia-DFAT, Canada-GAC, Netherlands-MFA, UK-FCO, and 10 for USAID), focusing exclusively on direct project-type funding that could be implemented by local actors. Countries were chosen across regions and income classifications, with preference given to those receiving higher levels of funding. This report does not include analysis on government-to-government and intermediary funding, but both of these alternative approaches are discussed.

Key findings show that:

- Across all five donors, only 5.5% of project-type funding went directly to local organisations – just \$287 million of the \$5.2 billion reviewed.
- The Netherlands-MFA directed the highest share (6.9%), followed by UK-FCDO (6.3%), Australia-DFAT (6.2%), Canada-GAC (5.3%), and USAID (5.1%).
- Donors routinely fund organisations based in their own countries at much higher levels than local partners.
- Four of the five donors, with USAID as the exception, lacked clear local funding targets and used inconsistent measurement approaches in tracking processes, resulting in insufficient quality and granularity in aid data.

The findings suggest that the localisation agenda has not yet translated into significant shifts in donor funding practices. The report underscores that meaningful localisation requires more than high-level commitments.

This report comes at a time of significant change, as cuts to ODA budgets are rapidly re-shaping the aid landscape. These reductions risk undermining critical humanitarian and development programmes and threaten the survival of valuable local partners. As the longer-term impacts become clearer, broader discussions need to take place on how to address persistent funding imbalances. We hope this report can contribute to these conversations by highlighting the gap between donor commitments and the reality of the proportion of funding directly reaching local organisations.

This analysis highlights a persistent lack of clarity and transparency regarding how local organisations are defined and measured. Without clear, consistent definitions of what constitutes “local”, and without comprehensive, comparable data on where and to whom funding flows, donors cannot be held accountable – nor can local organisations access the information they need to advocate for greater progress and fairer, more inclusive funding systems. This information should be readily available but current levels of transparency around localisation make it practically impossible to hold donors accountable for their local funding commitments. The analysis for this report took detailed, time-consuming, and rigorous research to sample just a small section of funding provided by five donors.



Introduction

Since 2022, Publish What You Fund's [Metrics Matter](#) series has tracked direct funding to local organisations, primarily focusing on USAID's 25% local funding target. In late 2024, [Commitments Without Accountability](#) expanded this focus to examine how donors measure and report on global localisation commitments. Specifically, we reviewed five Organisation for Economic Co-operation and Development's Development Assistance Committee (OECD DAC) donors which are important voices in the locally led development space: Australia (Department of Foreign Affairs and Trade), Canada (Global Affairs Canada), Netherlands (Ministry of Foreign Affairs), UK (Foreign, Commonwealth and Development Office), and US (United States Agency for International Development).

In this third instalment, Metrics Matter III, we extend our analysis to these same five donors. While USAID remained the only donor with a defined localisation target and measurement approach at the time of research, our analysis applied a consistent, independent methodology across all five donors to assess the proportion of funding directly channelled to local organisations.

This research comes at a time of increasing pressure on Official Development Assistance (ODA). Despite total ODA reaching a record \$223.3 billion in 2023,¹ three of the donors reviewed are making significant cuts: USAID's sudden closure has removed \$44 billion (34%) of global humanitarian and development assistance²; the Netherlands is reducing its aid by €2.4 billion by 2027³; and the UK is cutting its ODA from 0.5% to 0.3% of Gross National Income (GNI) – a 40% cut – also by 2027.⁴ Further, in recent years, Canada's development spending has also declined to 0.34% of GNI.⁵ Australia is the only donor reviewed whose ODA budget is on a more upwards trend but it was still only 0.19% of GNI in 2023-24⁶, the lowest across the donors reviewed. All these reductions, coupled with sustained multilateral commitments, will likely reduce funding for more traditional bilateral programmes and partners.

Further, despite endorsing global commitments, such as the Grand Bargain and the Donor Statement on Locally Led Development, progress towards shifting resources to local organisations continues to be slow. This is starkly highlighted by the Grand Bargain's lack of progress. In 2016, signatories committed to channel 25% of humanitarian funding “*as directly as possible*” to local and national organisations. Nearly a decade later, donors have not only struggled to meet this target but have also fallen short in consistently providing transparent and granular reporting. Humanitarian funding directly channelled to local and national organisations remains critically low – just 1.2%, according to the 2023 Global Humanitarian Assistance Report.⁸

As local organisations already receive only a small share of ODA funding,⁹ and with the impending funding cuts reportedly falling disproportionately on bilateral aid, the proportion of funds directed to local organisations will certainly fall. This will not only have a significant effect on the delivery of important programmes, but will also leave valuable local partners fighting for survival. Given this challenging context, there is an urgent need for transparent, accountable funding practices and measurement approaches to ensure fairer resource distribution, and the most effective use of funds.

This report shows that tracking ODA from bilateral donors to local organisations is vital for advancing locally led development and the equity of resource distribution. Without transparent data on funding, it is difficult to measure progress, hold donors accountable to promises they have made, and ultimately shift more resources to local organisations. As the longer-term impact of the aid cuts emerge, broader conversations on how to address funding imbalances will take place. We hope this analysis can contribute to these wider conversations and help highlight the gap between donor promises and the reality of funding channelled directly to local organisations.

1 OECD, Official Development Assistance, see [here](#)

2 <https://www.cgdev.org/blog/new-estimates-usaid-cuts>

3 <https://www.government.nl/latest/news/2025/02/20/minister-reinette-klever-dutch-interests-at-the-heart-of-development-policy>

4 <https://www.cgdev.org/blog/breaking-down-prime-minister-starmer-aid-cut>

5 https://donortracker.org/donor_profiles/canada#oda-spending

6 [https://devpolicy.org/2025-australian-aid-update/#:~:text=Australia's%20foreign%20aid%20\(Official%20Development,year%20decline%20in%20real%20aid](https://devpolicy.org/2025-australian-aid-update/#:~:text=Australia's%20foreign%20aid%20(Official%20Development,year%20decline%20in%20real%20aid)

7 <https://interagencystandingcommittee.org/node/40190>

8 https://devinit.github.io/media/documents/GHA2023_Digital_v9.pdf

9 Shift the Power Movement (2024), Too Southern To Be Funded: the funding bias against the global south. Link [here](#).



Methodology

This report analyses direct funding to local organisations across five OECD DAC donors: Australia-DFAT, Canada-GAC, Netherlands-MFA, UK-FCDO, and USAID. Using our independent, replicable measurement approach, we examined disbursement data published to the International Aid Transparency Initiative (IATI) Standard¹⁰, which includes recipient organisation names, across a select number of sample countries for each donor. Through secondary research, we assessed organisational characteristics to classify partners as local or non-local and quantify related financial flows. For consistency, data from US fiscal year 2024¹¹ was used for Canada-GAC, Netherlands-MFA, UK-FCDO, and USAID; due to the unavailability of data, 2023 disbursements were used for Australia-DFAT.

MEASURING AND DEFINING LOCAL FUNDING

To calculate the amount of funding going to local organisations as a percentage of total funding requires an approach to determining what to include as local (the numerator) and what that funding is a proportion of (the denominator). Adjusting either of these will affect the values and proportions of what you are trying to measure. If one is trying to achieve a goal, for example USAID’s 25% local funding target, changing either the numerator or denominator can make it easier or more difficult to achieve that goal.

In the absence of a universally agreed definition, we used the Inter-Agency Standing Committee (IASC) definition of “local”¹² as it was independently developed by the Grand Bargain community and adopted by all five donors for Grand Bargain reporting. For USAID only, we continued our approach from our Metrics Matter I and II reports by comparing the IASC definition and Publish What You Fund’s denominator with USAID’s own definition and denominator. As a result, we have provided two different percentages, which allowed us to more consistently assess progress toward USAID’s 25% direct local funding target¹³. See Table 1 for a summary of definitions used in this analysis. While no definition is perfect, we prioritised consistency with the principles of locally led development. Key factors included an organisation’s ability to govern itself, make independent decisions, maintain financial autonomy, operate within its country, and be accountable to its community.

Table 1 – Characteristics included in the Publish What You Fund and USAID approaches to identifying local organisations

Publish What You Fund numerator (based on the IASC definition)	USAID numerator
Organisations are identified as “local” when:	Organisations are identified as “local” when:
<ul style="list-style-type: none">Headquartered and operating in the recipient country.	<ul style="list-style-type: none">Headquartered and incorporated in the recipient country.
<ul style="list-style-type: none">Working sub-nationally, nationally, regionally, or internationally.	<ul style="list-style-type: none">Either managed and governed by nationals of the recipient country or by non-nationals.
<ul style="list-style-type: none">Not affiliated to an international NGO or international private sector organisations.	<ul style="list-style-type: none">Working sub-nationally, nationally, regionally, or internationally.
<ul style="list-style-type: none">Independent governance and fundraising systems.	

¹⁰ IATI publication is voluntary, not externally verified, and therefore subject to variations in publisher practices, data completeness, and potential errors.

¹¹ The US fiscal year 2024 runs from October 1, 2023 to September 30, 2024.

¹² https://interagencystandingcommittee.org/sites/default/files/migrated/2018-01/hfft_localisation_marker_definitions_paper_24_january_2018.pdf

¹³ Before USAID was essentially dismantled, it had a target, set in 2021, on shifting a greater proportion of funding to local organisations: by 2025, 25% of USAID’s direct funding will go to local partners.

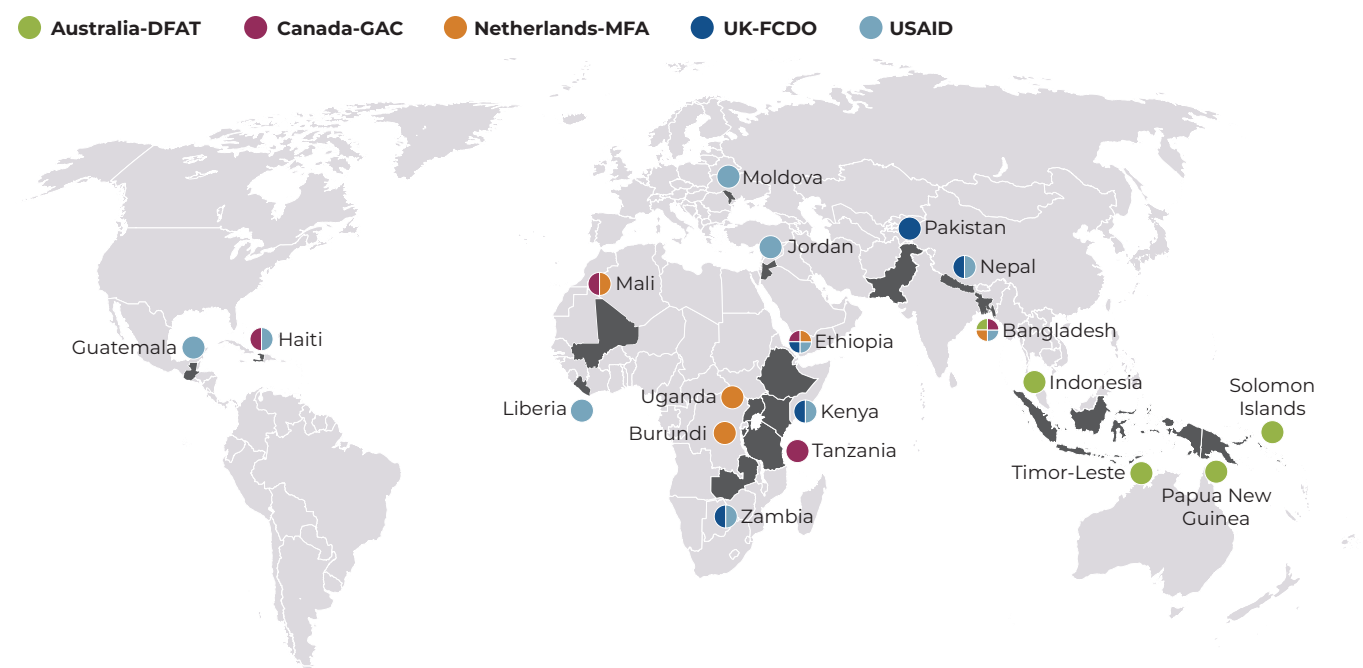


To produce accurate, detailed analysis of the recipient organisations, we carried out secondary research to identify the relevant characteristics, derived from the IASC definition, for each organisation. These included the organisation type, headquarters location, project location, and whether the organisation maintains independent fundraising and/or governance. See [Annex Two](#) for a full list of the characteristics and the coding protocol used to identify these. Using the characteristics, we are then able to filter disbursement data according to whether it is channelled to local organisations.

On the other side, the denominator significantly impacts the measurement of direct local funding. The denominator we used includes all project-type interventions across all implementer types, excluding public sector implementers and non-project spending such as government-to-government transfers, administrative costs, donor personnel, and technical assistance. This approach focuses on aid that could practically be delivered by local organisations, excluding spending not typically accessible to them. See Table 2 for an overview of the denominator used for our assessment.

COUNTRY SELECTION

Due to the labour-intensive nature of the manual secondary research, analysis for Australia-DFAT, Canada-GAC, Netherlands-MFA, and UK-FCDO was limited to five purposively selected countries, while USAID's 10-country sample (from previous Metrics Matter reports) was maintained. Countries were chosen across regions and income classifications, with preference given to those receiving higher levels of funding. While this non-random selection may introduce bias toward countries with more local implementers, making the totals not fully representative of donor portfolios, it enables a diverse view of the challenges in tracking and quantifying local implementation across donors. The countries selected were:



Australia-DFAT	Canada-GAC	Netherlands-MFA	UK-FCDO	USAID
Bangladesh	Bangladesh	Bangladesh	Ethiopia	Bangladesh
Indonesia	Ethiopia	Burundi	Kenya	Ethiopia
Papua New Guinea	Haiti	Ethiopia	Nepal	Guatemala
Solomon Islands	Mali	Mali	Pakistan	Haiti
Timor-Leste	Tanzania	Uganda	Zambia	Jordan
				Kenya
				Liberia
				Moldova
				Nepal
				Zambia



OTHER WAYS OF FUNDING

This report focuses exclusively on direct funding to local organisations across five donors, while acknowledging that other interpretations of local funding exist. When developing our original Metrics Matter methodology, consultations with global south organisations and networks highlighted that access to direct funding is critical for shifting power and ensuring meaningful participation. Below, we outline two alternative approaches to direct local funding and explain why they are not included in our analysis.

Intermediary funding

International intermediaries, often international NGOs, can act as a bridge between international and local actors when donors are providing funding. Of the donors reviewed, Australia-DFAT in particular is a proponent of using intermediaries as a way to provide local funding. There are different models of intermediary funding and arguments for and against this approach. For this research we focus only on direct local funding – that is, funding provided to primary implementers at the country-level. It does not track funding beyond the first tier of recipients (i.e. funding through intermediaries) due to current limitations in IATI reporting on sub-implementers by the five donors assessed, which hinders traceability. However, as commitments such as the Grand Bargain¹⁴ and the Donor Statement on Locally Led Development call for funding to be “*as direct as possible*”, understanding the current levels of direct local funding across the five donors remains essential.

Government-to-Government funding

A key question in the localisation debate is whether government-to-government aid should be considered “local.” This includes both projects implemented by government agencies and direct budget support, which may be earmarked for specific purposes. Some argue that funding governments should be counted towards localisation targets, however, these flows are generally much larger than funding to non-governmental actors and including them alongside civil society organisation (CSO) funding risks skewing the results. For this reason, this report excludes government-to-government funding from its analysis.

¹⁴ Under the Grand Bargain, donors agreed that 25% of humanitarian funding should be delivered as directly as possible to local and national organisations. See more on the Grand Bargain [here](#).



Overview of donor approaches to local funding

All five donors have endorsed key global commitments to locally led development. However, the progress they have made on their approaches to defining, tracking, and reporting on direct funding to local organisations varies. Before providing an analysis on the proportion of funding channelled directly to local organisations, we have summarised each of the donor's current approaches:

- **Australia-DFAT** has a dedicated [Guidance Note on Locally Led Development](#) and references localisation throughout its [International Development Policy](#). While it outlines practical guidance and includes a “locally led development continuum”, DFAT lacks a funding-specific target. It tracks some indicators through its [Performance and Delivery Framework](#), but does not publish disaggregated data or define a denominator for calculating local funding proportions.
- **Canada-GAC** embeds localisation through its [Feminist International Assistance Policy](#) (FIAP) and supports initiatives such as [Women's Voice and Leadership](#) and the [Equality Fund](#). However, it lacks a standalone localisation strategy, institutional funding target, or tracking methodology for direct local funding.
- **Netherlands-MFA** integrates localisation principles into thematic strategies and funds consortia that include local organisations as partners. Despite this, MFA has no dedicated localisation strategy, no institutional target, and no formal methodology to track direct local funding.
- **UK-FCDO** acknowledges locally led approaches in its 2023 [International Development White Paper](#). However, it lacks a dedicated localisation strategy, has limited direct funding initiatives, and does not systematically track local funding. No institutional targets or methodologies are in place.
- **USAID**, prior to its closure, was the only donor with a comprehensive localisation strategy, including a 25% direct local funding target by 2025. It employed multiple measurement tools and published regular progress reports.¹⁵

More information about each of the donor's strategies and measurement approaches can be found in our [Commitments Without Accountability](#) report.

¹⁵ Shortly after the announcement that much of USAID would be shut down and/or functions transferred to the State Department, USAID's website was taken down, including the dedicated localisation website. As a result, it is no longer possible to access these reports directly via USAID.



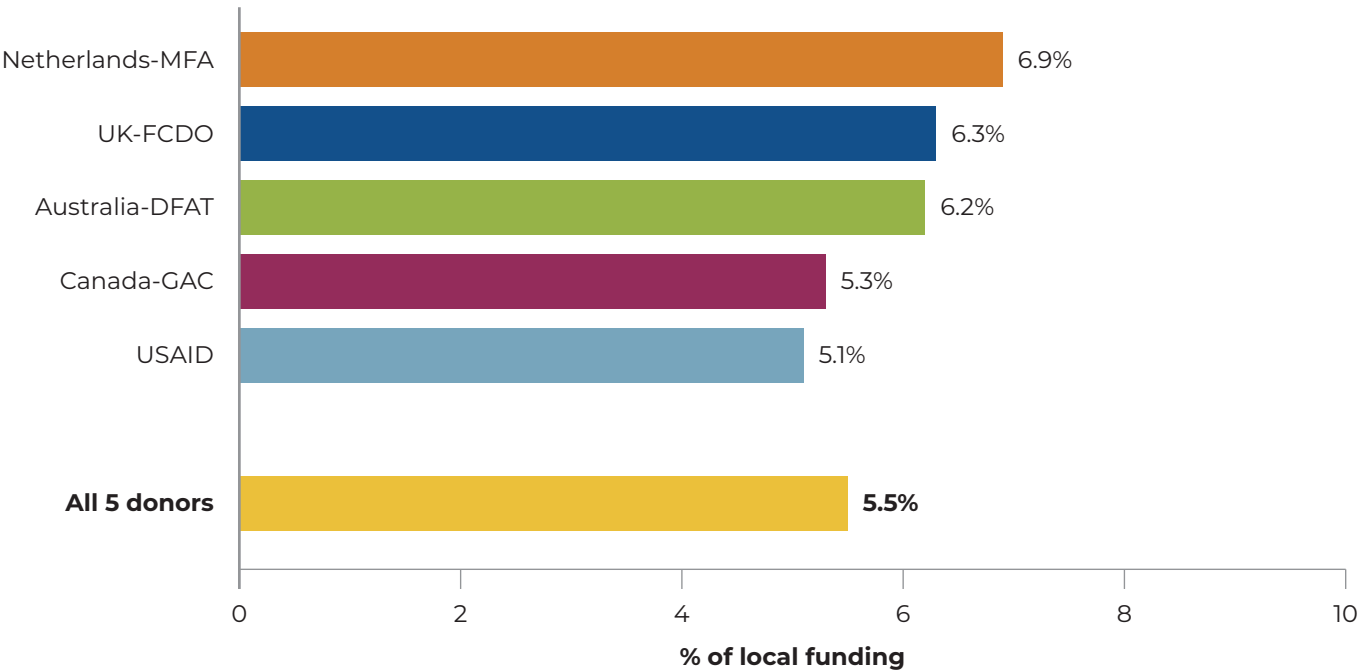
Cross-donor findings

While donors have publicly endorsed global commitments to localisation, the reality of actual funding flows often fall short of these promises. Our analysis, using **Publish What You Fund’s direct local funding measurement approach across the five donors and sample countries examined in US fiscal year 2024**¹⁶, found that:

- The proportion of total project-type funding directly reaching local organisations is **5.5%**.
- For the numerator, we identified **\$287 million** of project-type funding that **directly funded local organisations**.
- For the denominator, we identified **\$5.2 billion** of project-type funding as the envelope of total funding to be considered. This represented 79% of the total funding available to these donors.
- **\$3.7 billion** (of the \$5.2 billion) of project-level funding assessed went to named international NGOs, private organisations, academic institutions, multilaterals, and UN agencies.

Before examining direct funding levels, it is important to understand the full scope of funding streams assessed in this research. Table 2 presents the denominator, calculated using IATI data on funding from Australia-DFAT (US FY 2023), Canada-GAC, Netherlands-MFA, UK-FCDO, and USAID (US FY 2024) across the sampled countries.

Graph 1 – Comparison of local funding proportions across the sampled countries using Publish What You Fund’s measurement approach for five OECD DAC donors



Graph 1 illustrates that the Netherlands-MFA allocated the highest proportion of project-type funding directly to local organisations (6.9%), followed by UK-FCDO (6.3%), Australia-DFAT (6.2%), Canada-GAC (5.3%), and USAID (5.1%) across the sampled countries. These figures highlight a persistent gap between donor commitments to localisation and actual funding practices, an issue the development and humanitarian sectors have long faced.

¹⁶ For Australia-DFAT, US fiscal year 2023 was used due to the unavailability of 2024 data. It's FY2023 data was included in the total funding calculations across the five donors for US FY2024 to allow for comparisons to be made.



While, at the time of research, USAID was the only donor reviewed with a dedicated localisation strategy and a direct local funding target, it had the lowest proportion of direct local funding among the five donors. However, this should be viewed in context - USAID's direct local funding totalled \$175 million - nearly twice the combined amount of the other four donors. Additionally, its funding made up 65% of the total denominator (\$3.4 billion) assessed in Table 2 using the Publish What You Fund approach, significantly influencing the overall funding landscape. Graph 2 provides a comparison of the five donor denominators.¹⁷

Graph 2 – Comparison of the five donors' denominators across the sampled countries

IATI - US fiscal year 2024 (GAC, MFA, FCDO, USAID); US fiscal year 2023 (DFAT). Publish What You Fund measurement approach



¹⁷ It should be noted that these figures are based on five sampled countries each for Australia-DFAT, Canada-GAC, Netherlands-MFA and UK-FCDO, and the same 10 countries sampled in previous Metrics Matter reports for USAID.



Table 2 – Funding streams included in the Publish What You Fund denominator across the sampled countries

Aid type	Receiver type	Total	PWYF denominator
A02 - Sector budget support	Public sector	\$905,658,918.38	✗
A02 - Sector budget support	Unknown	\$8,375,000.00	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Academia	\$861,900.00	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	NGO	\$8,991,584.22	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Private	\$90,280.33	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Public sector	\$238,973.12	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Unknown	\$352,217.60	✗
B02 - Core contributions to multilateral institutions and global funds	Multilateral	\$4,063,215.39	✗
B02 - Core contributions to multilateral institutions and global funds	UN agency	\$8,619,000.00	✗
B021 - Core contributions to multilateral institutions	UN agency	\$89,568.00	✗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Multilateral	\$86,034,597.85	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	NGO	\$22,607,593.14	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Private	\$1,770,778.20	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Public sector	\$22,107.59	✗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	UN agency	\$66,534,345.59	✓
B032 - Contributions to multi-donor/single-entity funding mechanisms	Multilateral	\$9,866,753.57	✓
B04 - Basket funds/pooled funding	Multilateral	\$15,198,394.12	✓
B04 - Basket funds/pooled funding	Public sector	\$11,196,536.54	✗
B04 - Basket funds/pooled funding	UN agency	\$13,157,504.03	✓
C01 - Project-type interventions	Academia	\$54,417,696.29	✓
C01 - Project-type interventions	Global program	\$82,757,736.00	✓
C01 - Project-type interventions	Multilateral	\$130,853,377.09	✓
C01 - Project-type interventions	NGO	\$1,808,739,170.96	✓
C01 - Project-type interventions	Private	\$814,197,818.63	✓
C01 - Project-type interventions	Public sector	\$116,604,294.93	✗
C01 - Project-type interventions	Redacted	\$403,268,355.46	✓
C01 - Project-type interventions	UN agency	\$869,472,058.36	✓
C01 - Project-type interventions	Unknown	\$791,513,551.12	✓
D01 - Donor country personnel		\$50,360,323.96	✗
D02 - Other technical assistance		\$44,507,794.34	✗
E01 - Scholarships/training in donor country		\$3,974,064.37	✗
G01 - Administrative costs not included elsewhere		\$267,313,632.45	✗
No data	Academia	\$186,088.02	✓
No data	Multilateral	\$7,920,200.19	✓
No data	NGO	\$24,683,012.25	✓
No data	Private	\$3,141,671.36	✓
No data	Public sector	\$221,003.75	✗
No data	Redacted	\$18,388,246.33	✓
No data	UN agency	\$10,091,086.62	✓
TOTAL		\$6,666,340,450.16	\$5,234,800,035.19



Country-level data on direct funding to local organisations is critical for understanding opportunities, barriers, and context-specific dynamics. The analysis shows that the proportion of direct local funding varies significantly between countries. While factors such as donor priorities and political context influence this variation, donors should work towards localising funding opportunities consistently across their entire portfolios.

Table 3 summarises the amount of funding each donor channelled directly to local organisations and the number of local partners funded across the sampled countries. The data also revealed the types of local organisations receiving funding from the five donors. Of the \$287 million directed to local organisations, 75% (\$217 million) went to local NGOs, 21% (\$60 million) to local private sector entities, and 4% (\$10 million) to local academic institutions. Understanding where local funding is focused – and which organisations receive it – will enable donors to learn, adapt, and improve the share of resources reaching local organisations across their entire portfolios.

Table 3 – Value and number of local organisations funded per donor across the sampled countries using Publish What You Fund’s measurement approach

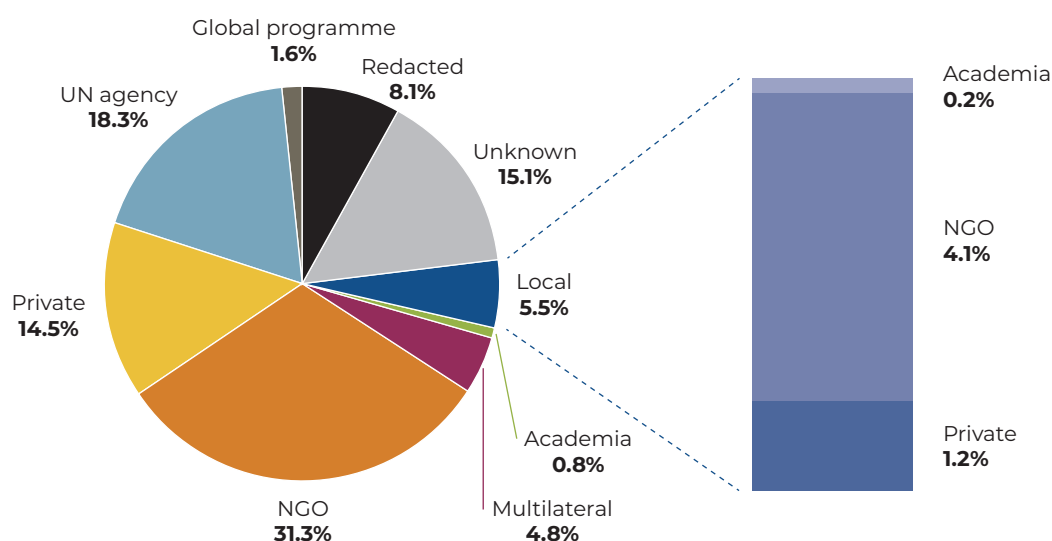
Donor	Total project funding	Local disbursements	Number of local organisations funded	Number of non-local organisations funded	Number of countries reviewed per donor
Australia-DFAT	\$831,519,383.49	\$51,609,585.46	4	92	5
Canada-GAC	\$365,615,499.75	\$19,361,247.54	6	104	5
Netherlands-MFA	\$274,835,093.90	\$19,060,621.38	25*	60	5
UK-FCDO	\$359,498,820.05	\$22,512,105.10	22	69	5
USAID	\$3,403,331,238.00	\$174,700,649.00	72	273	10
TOTAL	\$5,234,800,035.19	\$287,244,208.48	129	598	

* This includes “unnamed” categories of local organisations (e.g. developing country-based NGO, developing country-based NGO group, private sector in recipient country) used by the Netherlands-MFA.

The analysis exposes the small number of local organisations actually being directly funded by these donors across the sampled countries. In comparison, the five donors channelled funding to five-times as many non-local organisations (i.e. international NGOs and private organisations, multilaterals, academic institutions, and UN agencies) than to local organisations in these same countries. Graph 3 provides a visual overview of the entity types receiving funding across the five donors reviewed for both non-local and local entities.

Graph 3 – Entity recipient types across five donors for non-local and local funding in the sampled countries

IATI - US fiscal year 2024 (GAC, MFA, FCDO, USAID); US fiscal year 2023 (DFAT). Publish What You Fund measurement approach



We have provided more in-depth analysis on the donors in individual donor profiles. For detailed profiles of [Australia-DFAT](#), [Canada-GAC](#), [Netherlands-MFA](#), [UK-FCDO](#), and [USAID](#), see [Annex One](#).



What do the findings highlight?

Our report provides timely evidence that the rhetoric of localisation far outpaces reality. Despite decades of global commitments, still only 5.5% of assessed funding from the five donors reviewed across the sample countries went directly to local organisations in US FY2024. As initiatives such as the Grand Bargain have shown, just introducing a target on increasing funding to local organisations by itself will not necessarily lead to more equitable funding. The gap between intention and implementation remains stark.

The findings highlight that transparency is both a foundational principle and a practical necessity for accelerating progress. Transparent data and definitions are a good first step for understanding what works, and what doesn't, and for facilitating learning – including cross-donor peer learning. Without clear, consistent definitions of what constitutes “local”, and without comprehensive, comparable data on where and to whom funding flows, donors cannot be held accountable – nor can local organisations access the information they need to advocate for fairer, more inclusive funding opportunities.

To close this gap, donors must move beyond principles and adopt practices that operationalise localisation. This means donors must adopt clearer strategies, establish measurable targets, and define what counts as “local”.



Cross-donor recommendations

As ODA budgets face increasing pressure, donors must re-affirm their commitment to localisation by increasing the proportion of direct funding to local organisations. Strengthening direct support to local organisations is essential for advancing locally led development and enhancing the long-term effectiveness and impact of aid.

To enhance transparency and accountability, we recommend that the donors examined take the following action to improve their data and move us closer to credible and transparent reporting on direct local funding.

1. USE OF DEFINITIONS AND MEASUREMENT APPROACHES:

a. Set and publish clear local funding targets

- i. Establish clear, time-bound targets for increasing direct funding to local organisations.
- ii. Publicly communicate these targets and track progress against them.

b. Develop and disclose robust methodologies for tracking local funding

- i. Adopt a consistent and transparent methodology for measuring local funding.
- ii. Clearly define what constitutes “local” and explain both the numerator (what counts as local funding) and the denominator (the total relevant funding base).

c. Regularly review and publicly share progress

- i. Commit to regular reviews of local funding levels and transparency practices.
- ii. Publish accessible progress reports on local funding levels to demonstrate accountability and encourage learning.

2. IMPROVEMENTS TO DATA QUALITY:

a. Improve data quality and accessibility via IATI

- i. Ensure detailed, timely, and accurate publication of disbursement data to the IATI Standard.
- ii. Include identifiable recipient organisation names and other characteristics to allow classification as local or non-local.

b. Strengthen internal systems for tracking and verification

- i. Build or improve internal systems and capacity to collect, verify, and analyse local funding data.
- ii. Integrate transparency and localisation metrics into donor performance frameworks.

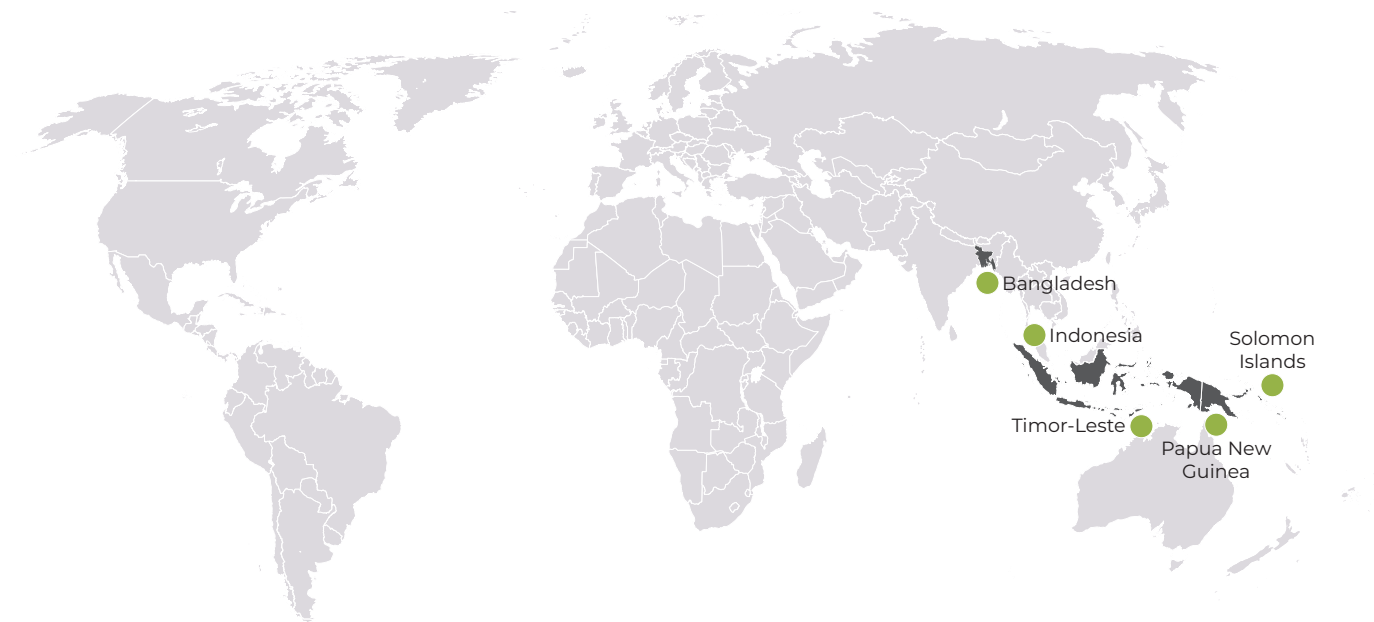


Annex One

Direct local funding analysis profiles for Australia-DFAT, Canada-GAC, Netherlands-MFA, UK-FCDO, and USAID

Australia, Department of Foreign Affairs and Trade (DFAT)¹⁸

● Australia-DFAT



KEY FINDINGS

This report examined funding data for five countries and found the following for US fiscal year 2023:

- Applying Publish What You Fund's measurement approach, 6.2% of DFAT funding went directly to local organisations.
- For the numerator, the Publish What You Fund approach counted \$52 million of DFAT funding as local.
- For the denominator, the Publish What You Fund approach counted \$832 million as the envelope of funding to be considered.

DENOMINATOR

The denominator modelled included all the aid flows marked with a tick in Table 4. This included all project-type interventions, including all implementer types, except public sector implementers. It excluded non-project spending.

¹⁸ For Australia-DFAT's profile, we used USD.



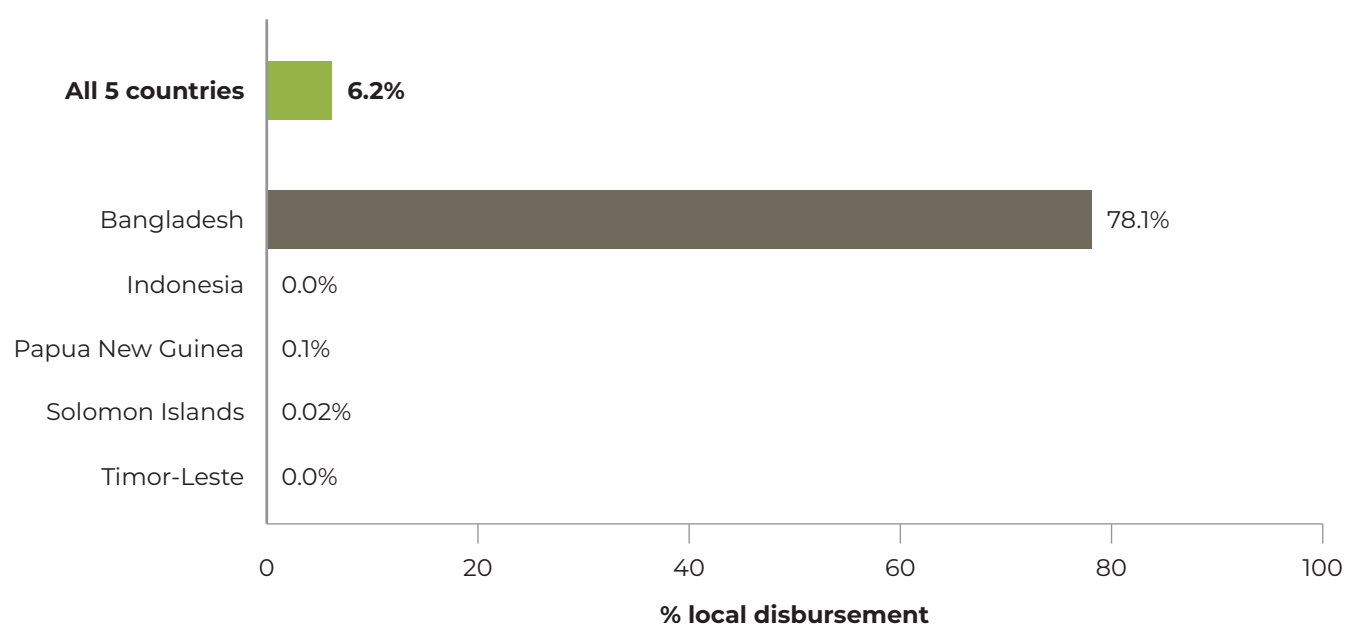
Table 4 – Funding streams included in the Publish What You Fund denominator across five DFAT funded countries

Aid type	Receiver type	Total	PWYF denominator
B01 - Core support to NGOs, other private bodies, PPPs and research institutions	Academia	\$861,900.00	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutions	NGO	\$183,729.90	✗
B02 - Core contributions to multilateral institutions	Multilateral	\$4,063,215.39	✗
B02 - Core contributions to multilateral institutions	UN agency	\$8,619,000.00	✗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Multilateral	\$15,249,000.00	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	UN agency	\$4,641,000.00	✓
C01 - Project-type interventions	Academia	\$3,223,238.15	✓
C01 - Project-type interventions	Multilateral	\$4,371,106.62	✓
C01 - Project-type interventions	NGO	\$94,831,805.21	✓
C01 - Project-type interventions	Private	\$134,797,604.33	✓
C01 - Project-type interventions	Public sector	\$24,158,990.70	✗
C01 - Project-type interventions	Redacted	\$20,526,088.83	✓
C01 - Project-type interventions	UN agency	\$6,486,807.25	✓
C01 - Project-type interventions	Unknown	\$547,392,733.10	✓
D01 - Donor country personnel		\$31,197,368.87	✗
D02 - Other technical assistance		\$10,830,861.49	✗
E01 - Scholarships/training in donor country		\$3,635,275.41	✗
TOTAL		\$915,069,725.25	\$831,519,383.49

COUNTRY-LEVEL FINDINGS

Graph 4 – Comparison of local funding across five DFAT funded countries using Publish What You Fund's measurement approach

Filtered by US fiscal year 2023; Programme support interventions only, all entity types excluding public sector





As Graph 4 shows, at the individual country level, the proportion of direct project funding channelled to local organisations was highest in Bangladesh. There, 78.1% of DFAT funds went to local organisations. The other four countries all had local funding proportions well below 1%. In Papua New Guinea, the country which received the largest amount of DFAT funding, only 0.1% of funds were channelled directly to local organisations. This was followed by Timor-Leste at 0.02%. Indonesia and the Solomon Islands had no direct funding channelled to local organisations.

The figures in Table 5 show that high levels of local funding in a single country (i.e. Bangladesh) can obscure lower levels elsewhere. To advance localisation meaningfully, DFAT should aim to localise funding across its entire portfolio.

Table 5 – Funding per country for DFAT using Publish What You Fund’s measurement approach

Country	Total project funding	Local disbursements	Proportion of funding to local organisations
Bangladesh	\$65,820,732.55	\$51,405,965.56	78.1%
Papua New Guinea	\$387,408,915.70	\$183,729.90	0.1%
Timor-Leste	\$87,014,714.98	\$19,890.00	0.02%
Indonesia	\$191,085,508.07	\$0	0.0%
Solomon Islands	\$100,189,512.19	\$0	0.0%
TOTAL	\$831,519,383.49	\$51,609,585.46	6.2%

DFAT directly channelled \$52 million to four organisations across three of the sampled countries only – Bangladesh, Papua New Guinea, and Timor-Leste. Table 6 provides a breakdown of where funding to local receivers went. BRAC in Bangladesh was the overall top receiver of DFAT funding in US fiscal year 2023, receiving nearly \$49 million, or 95% of the total funding channelled directly to local organisations across the five sampled countries.

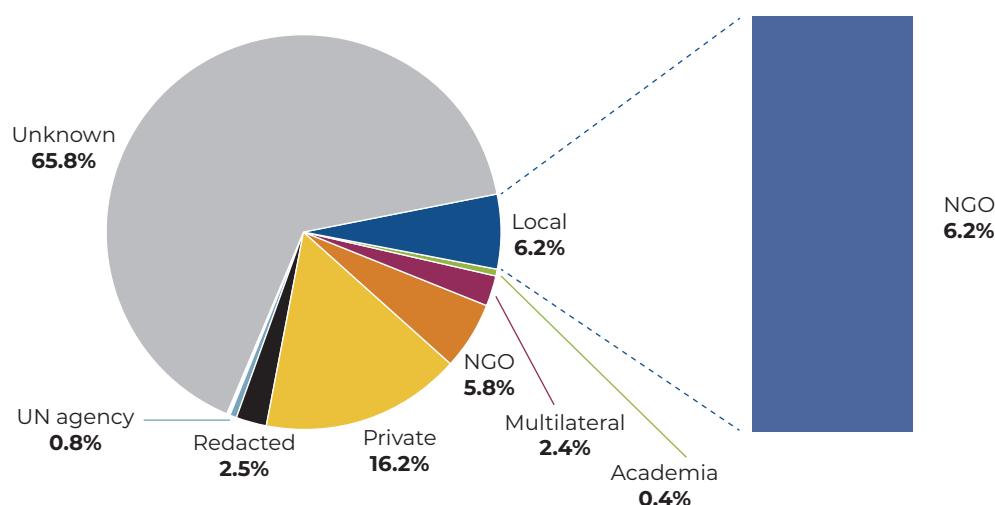
Table 6 – Number of local organisations receiving direct funding across five DFAT funded countries

Country	Type of receiving entity	Number of local organisations	Local disbursements
Bangladesh	NGO	2	\$51,405,965.56
Papua New Guinea	NGO	1	\$183,729.90
Timor-Leste	Academia	1	\$19,890.00
Indonesia		0	\$0
Solomon Islands		0	\$0
TOTAL		4	\$51,609,585.46

The analysis also reveals that DFAT channelled almost four times as much funding (\$183 million) to Australian-based organisations operating in the sample countries than to local organisations within those countries. Graph 5 provides a visual comparison of local and non-local funding and the types of organisations funded across the five countries reviewed.

**Graph 5** – Entity recipient types across five DFAT funded countries for non-local and local funding

IATI - US fiscal year 2023; Publish What You Fund measurement approach



DATA QUALITY ISSUES

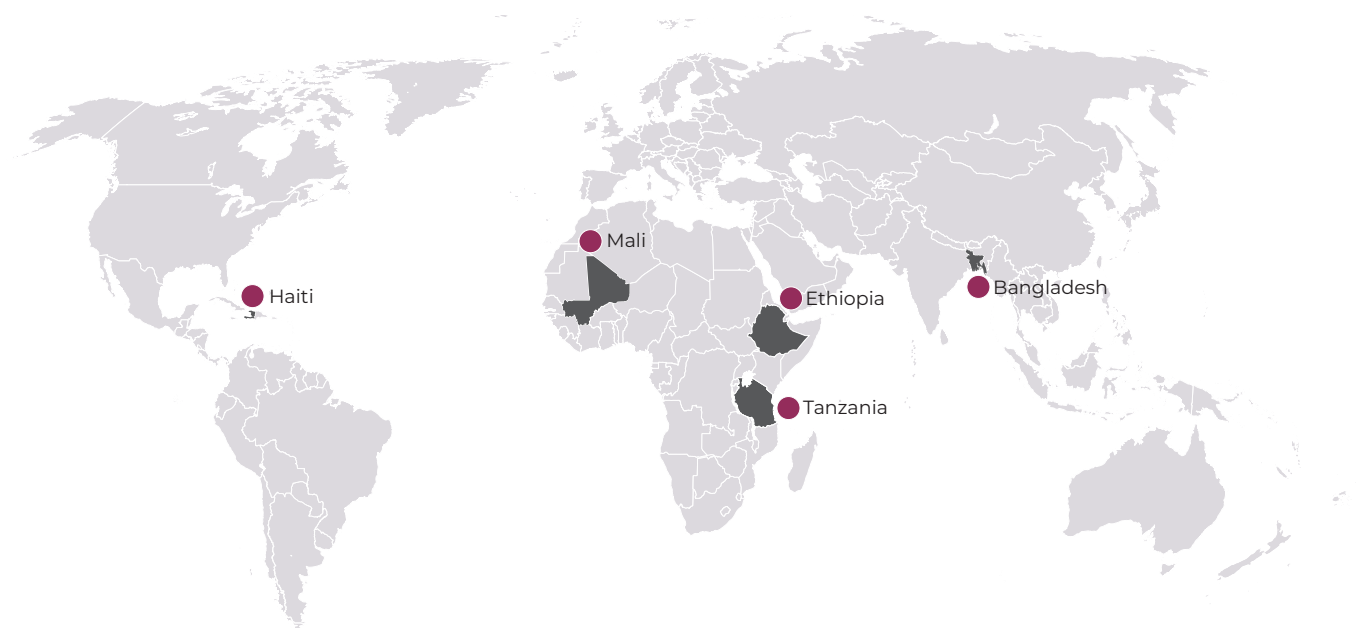
The quality of DFAT's IATI data limited our ability to provide a fully accurate estimation of the percentage of funding channelled directly to local organisations across the five countries reviewed. This was because of the following reasons:

- DFAT paused publication to IATI in 2019 but restarted it in late 2024. As it does not consistently publish data to IATI, there was no available disbursements for the focus year - US FY 2024. As such, our review is based on the last time it published more complete data which was Q2 of US FY2023. Following the analysis period for this research, in May 2025, DFAT released its 2023-2024 data to IATI.
- In its IATI reporting, DFAT only publishes the names of partners for each of its investments, not the exact amount each of these partners get. As a result, our assessment could not identify specific funding amounts going to all of the receiver organisations reviewed. Therefore, even if some of the receivers met our criteria as local, we could not identify the funding received and so could not include them in the numerator.



Global Affairs Canada (GAC)¹⁹

● Canada-GAC



KEY FINDINGS

This review examined funding data for five countries and found the following for US fiscal year 2024:

- Applying Publish What You Fund’s measurement approach, 5.3% of funding went directly to local organisations.
- For the numerator, Publish What You Fund’s measurement approach counted \$19 million of GAC funding as local.
- For the denominator, the Publish What You Fund approach counted \$366 million as the envelope of funding to be considered.

DENOMINATOR

The denominator modelled included all the aid flows marked with a tick in Table 7. This included all project-type interventions, including all implementer types, except public sector implementers. It excluded non-project spending.

¹⁹ For GAC’s profile, we have used USD.



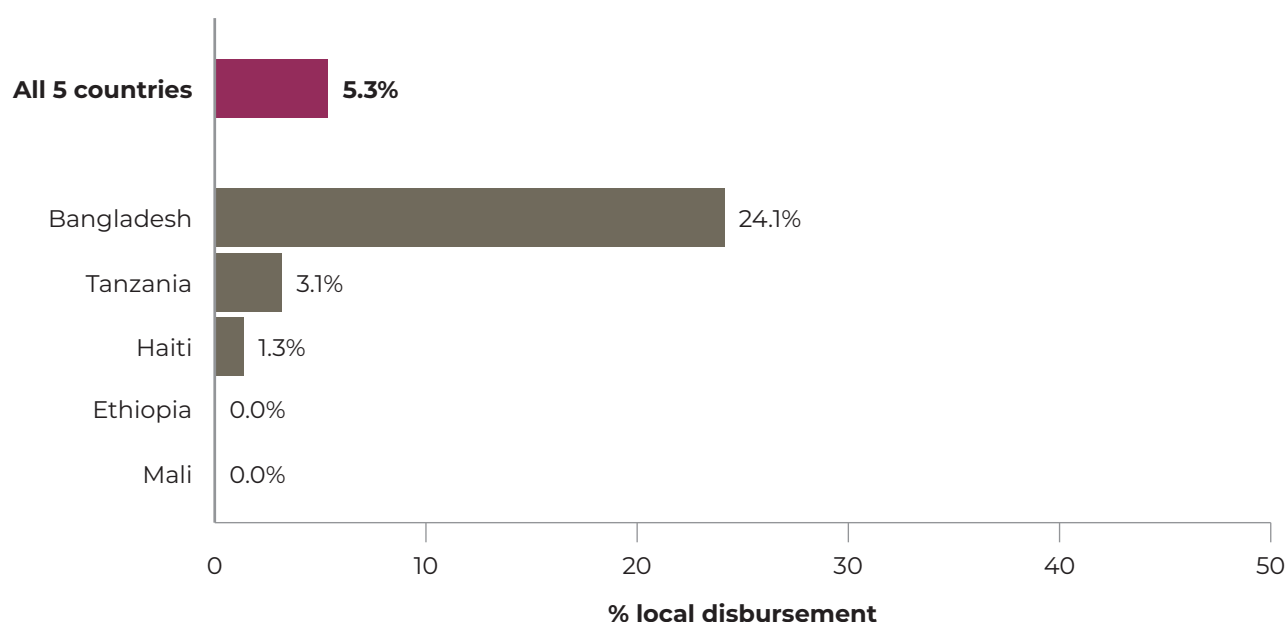
Table 7 – Funding streams included in the Publish What You Fund denominator across five GAC funded countries

Aid type	Receiver type	Total	PWYF denominator
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Multilateral	\$434,239.52	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	NGO	\$17,966,593.14	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Private	\$1,770,778.20	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Public sector	\$22,107.59	✗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	UN agency	\$60,816,877.29	✓
B032 - Contributions to multi-donor/single entity funding mechanisms	Multilateral	\$9,866,753.57	✓
B04 - Basket funds/pooled funding	Multilateral	\$15,198,394.12	✓
B04 - Basket funds/pooled funding	Public sector	\$11,196,536.54	✗
B04 - Basket funds/pooled funding	UN agency	\$13,157,504.03	✓
C01 - Project-type interventions	Academia	\$3,480,242.32	✓
C01 - Project-type interventions	Multilateral	\$14,034,248.02	✓
C01 - Project-type interventions	NGO	\$110,395,012.23	✓
C01 - Project-type interventions	Private	\$18,013,929.39	✓
C01 - Project-type interventions	Public sector	\$13,588,307.39	✗
C01 - Project-type interventions	Redacted	\$189,539.99	✓
C01 - Project-type interventions	UN agency	\$96,939,558.70	✓
C01 - Project-type interventions	Unknown	\$3,351,829.21	✓
D01 - Donor country personnel		\$3,377,568.09	✗
D02 - Other technical assistance		\$188,565.39	✗
E01 - Scholarships/training in donor country		\$338,788.96	✗
TOTAL		\$394,327,373.73	\$365,615,499.75

COUNTRY-LEVEL FINDINGS

Graph 6 – Comparison of local funding across five GAC funded countries using Publish What You Fund's measurement approach

Filtered by US fiscal year 2024; Programme support interventions only, all entity types excluding public sector





As graph 6 shows, using Publish What You Fund's measurement approach at the individual country level, the proportion of direct project funding channelled to local organisations was highest in Bangladesh. There, 24.1% of GAC funds went to local organisations. In Tanzania, 3.1% of funds were channelled directly to local organisations. This was followed by Haiti, the top funded country sampled, at 1.3%. Ethiopia and Mali had no direct funding channelled to local organisations.

Table 8 – Funding per country for GAC using Publish What You Fund's measurement approach

Country	Total project funding	Local disbursements	Proportion of funding to local organisations
Bangladesh	\$69,554,031.64	\$16,781,794.80	24.1%
Tanzania	\$35,164,064.60	\$1,083,532.37	3.1%
Haiti	\$113,621,723.81	\$1,495,920.37	1.3%
Ethiopia	\$80,451,603.03	\$0	0.0%
Mali	\$66,824,076.67	\$0	0.0%
TOTAL	\$365,615,499.75	\$19,361,247.54	5.3%

As table 9 shows, GAC directly channelled just over \$19 million to six local organisations across three of the sampled countries – Bangladesh, Haiti, and Tanzania. Of this funding, \$18 million went to five local NGOs in Bangladesh and Tanzania, while the remaining \$1 million went to a local private organisation in Haiti. In Bangladesh, the majority of funding (\$12 million) went to just one large local organisation.

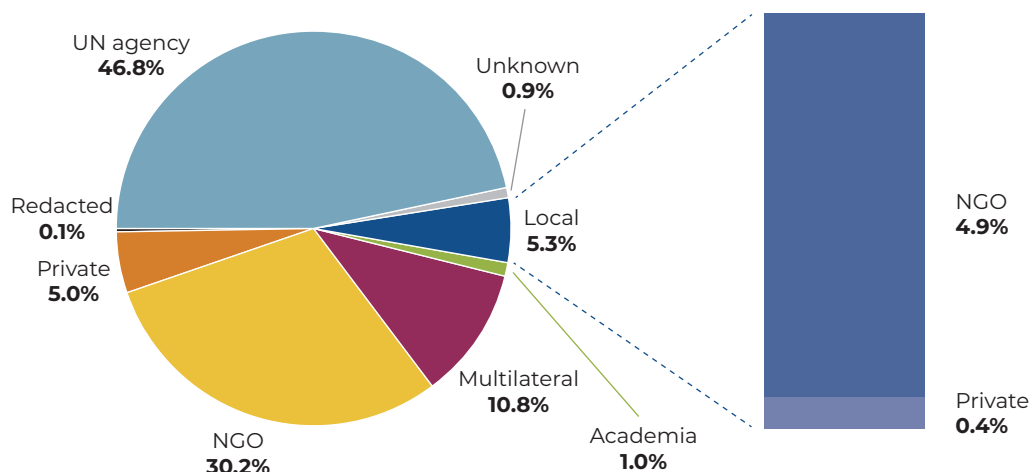
Table 9 – Number of local organisations receiving direct funding across five GAC funded countries

Country	Type of receiving entity	Number of local organisations	Local disbursements
Bangladesh	NGO	3	\$16,781,794.80
Haiti	Private	1	\$1,495,920.37
Tanzania	NGO	2	\$1,083,532.37
Ethiopia		0	\$0
Mali		0	\$0
TOTAL		6	\$19,361,247.54

In comparison, GAC channelled nearly six times as much funding (\$107 million) to Canadian-based organisations operating in the sample countries than to local organisations within those countries. Graph 7 provides a comparison of local and non-local funding and the types of organisations funded across the five countries reviewed.

Graph 7 – Entity recipient types across five GAC funded countries for non-local and local funding

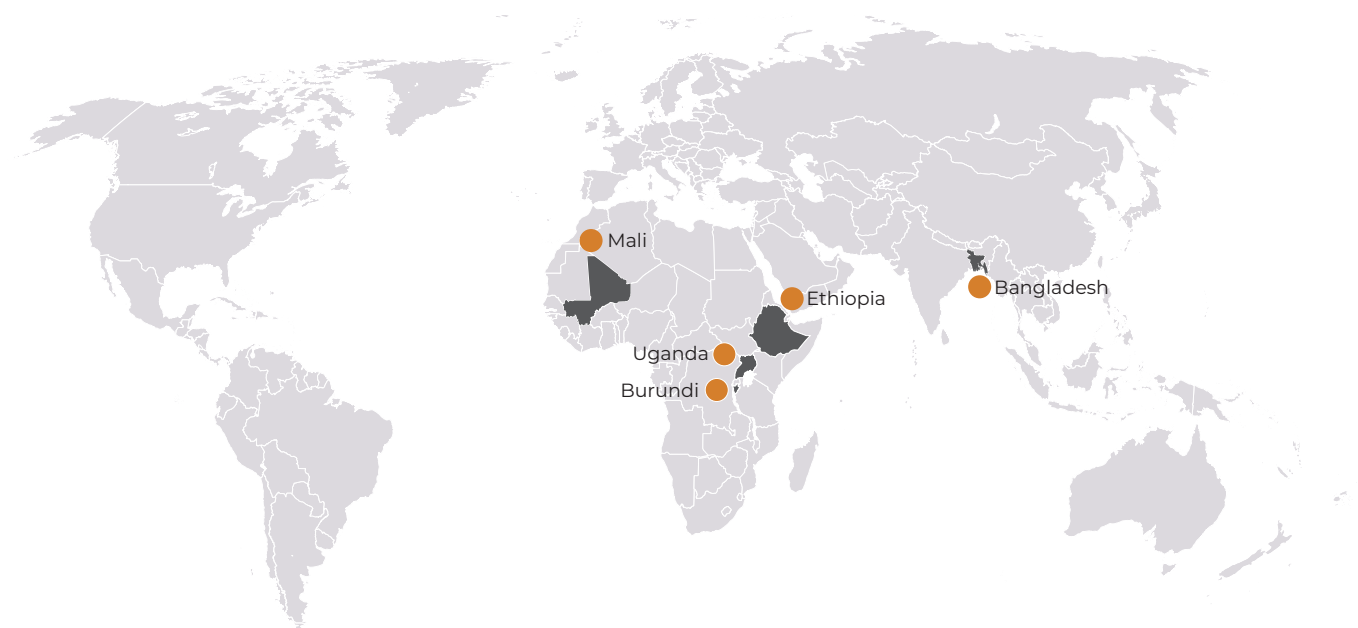
IATI - US fiscal year 2023; Publish What You Fund measurement approach





The Ministry of Foreign Affairs of the Netherlands (MFA)

● Netherlands-MFA



KEY FINDINGS

This review examined funding data for five countries and found the following for US fiscal year 2024:

- Applying Publish What You Fund’s measurement approach, 6.9% of funding went directly to local organisations.
- For the numerator, Publish What You Fund’s measurement approach counted \$19 million of MFA funding as local.
- For the denominator, the Publish What You Fund approach counted \$275 million as the envelope of funding to be considered.

DENOMINATOR

The denominator modelled included all the aid flows marked with a tick in Table 10. This included all project-type interventions, including all implementer types, except public sector implementers. It excluded non-project spending.



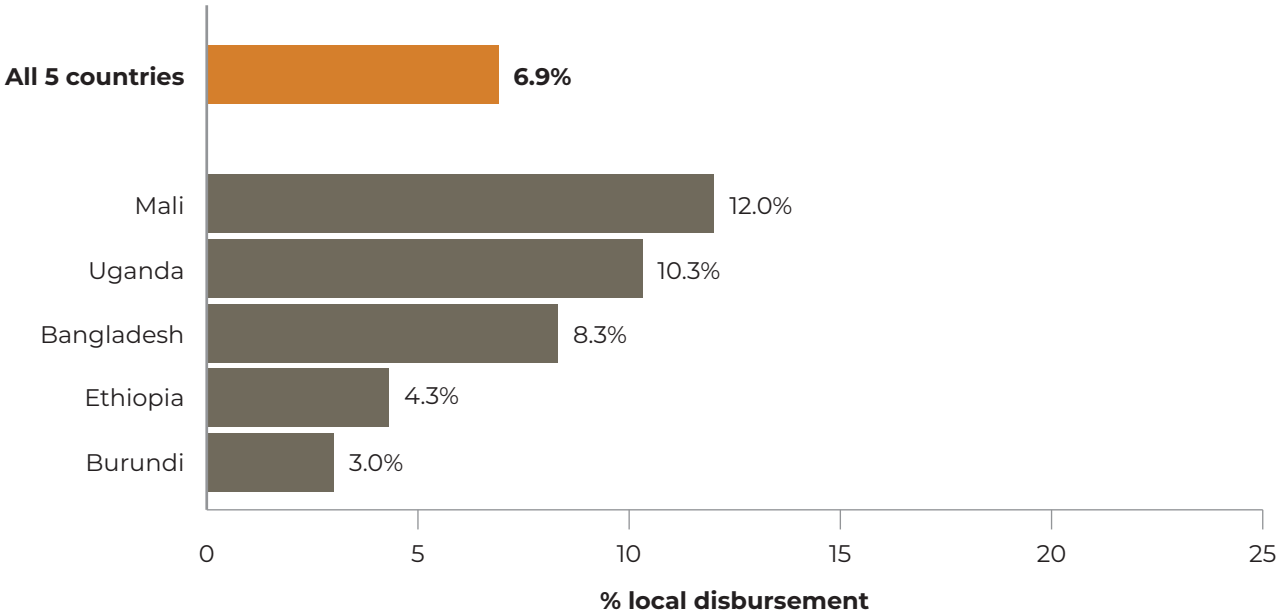
Table 10 – Funding streams included in the Publish What You Fund denominator for five MFA funded countries

Aid type	Receiver type	Total	PWYF denominator
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	NGO	\$8,807,854.33	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Private	\$90,280.33	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Public sector	\$238,973.12	✗
B01 - Core support to NGOs, other private bodies, PPPs and research institutes	Unknown	\$352,217.60	✗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	Multilateral	\$70,351,358.33	✓
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	UN agency	\$5,516,000.30	✓
C01 - Project-type interventions	Academia	\$10,945,984.32	✓
C01 - Project-type interventions	Multilateral	\$9,325,163.50	✓
C01 - Project-type interventions	NGO	\$141,470,658.68	✓
C01 - Project-type interventions	Private	\$8,019,891.26	✓
C01 - Project-type interventions	Public sector	\$10,171,451.07	✗
C01 - Project-type interventions	UN agency	\$27,606,834.70	✓
C01 - Project-type interventions	Unknown	\$1,599,202.81	✓
D02 - Other technical assistance		\$12,416,050.47	✗
E01 - Scholarships/training in donor country		\$7,109.46	✗
TOTAL		\$306,919,030.28	\$274,835,093.90

COUNTRY-LEVEL FINDINGS

Graph 8 – Comparison of local funding across five MFA funded countries using Publish What You Fund’s measurement approach

Filtered by US fiscal year 2024; Programme support interventions only, all entity types excluding public sector





As graph 8 shows, using Publish What You Fund's measurement approach at the individual country level, the proportion of direct project funding channelled to local organisations was highest in Mali. There, 12% of MFA funds went to local organisations. In Uganda, 10.3% of funds were channelled directly to local organisations. This was followed by Bangladesh at 8.3%, Ethiopia at 4.3%, and Burundi at 3%.

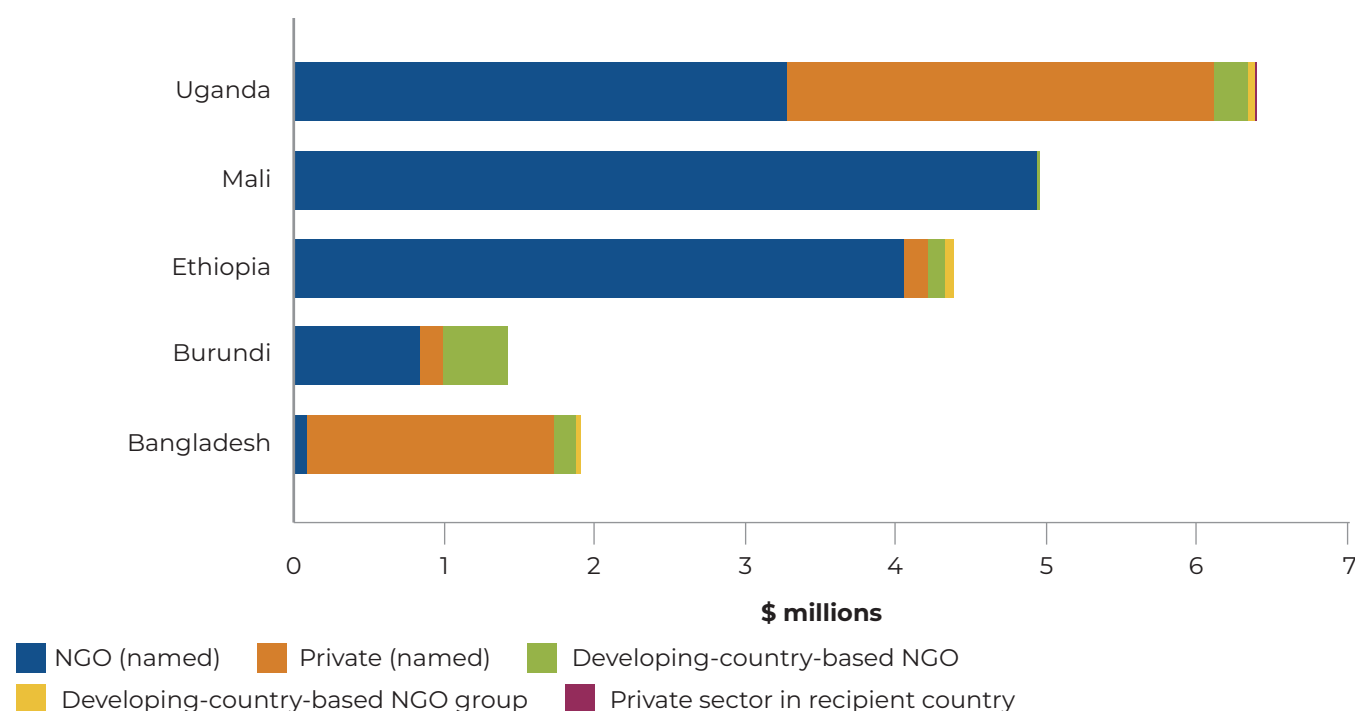
Table 11 – Funding per country for MFA using Publish What You Fund's measurement approach

Country	Total project funding	Local disbursements	Proportion of funding to local organisations
Mali	\$41,197,751.45	\$4,956,132.27	12.0%
Uganda	\$62,193,225.30	\$6,405,535.55	10.3%
Bangladesh	\$22,920,369.45	\$1,906,024.75	8.3%
Ethiopia	\$101,628,795.93	\$4,378,841.09	4.3%
Burundi	\$46,894,951.78	\$1,414,087.71	3.0%
TOTAL	\$274,835,093.90	\$19,060,621.37	6.9%

MFA directly channelled just over \$19 million to 25 entities across all five of the sampled countries (see Table 11). Of this funding, \$13 million went to NGOs and \$5 million went to private organisations. The remaining \$1 million of funding went to undisclosed local receiver organisations – developing country-based NGO, developing country-based NGO group, and private sector in recipient country.²⁰ Graph 9 shows the types of local organisations receiving direct MFA funding across each of the sampled countries.

Graph 9 – Local organisations receiving direct funding across five MFA funded countries

IATI - US fiscal year 2024; Publish What You Fund measurement approach



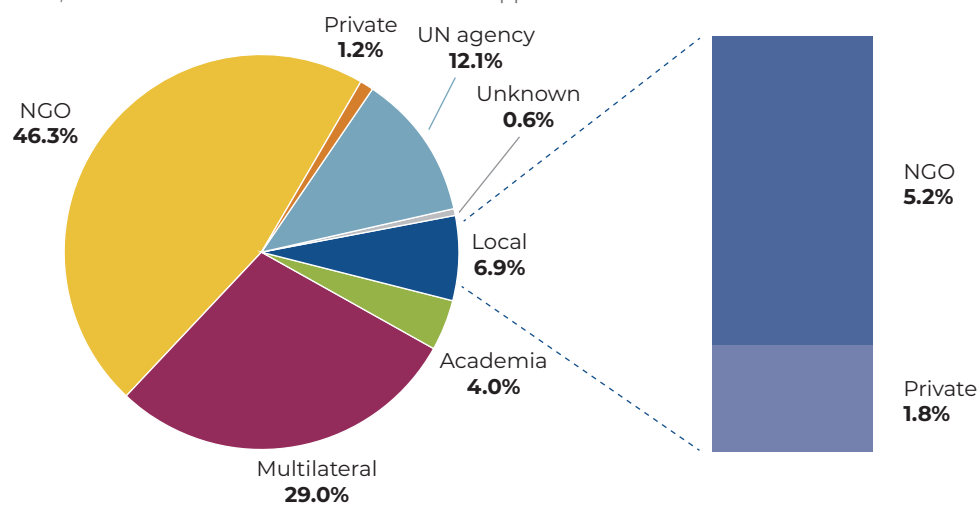
In comparison, MFA channelled almost five times as much funding (\$87 million) to Dutch-based organisations operating in the sample countries than to local organisations within those countries. Graph 10 provides a comparison of local and non-local funding and the types of organisations funded across the five countries reviewed.

²⁰ Following discussions with Netherlands-MFA, we were able to determine that these categories only include organisations that originate in the developing countries.



Graph 10 – Entity recipient types across five MFA funded countries for non-local and local funding

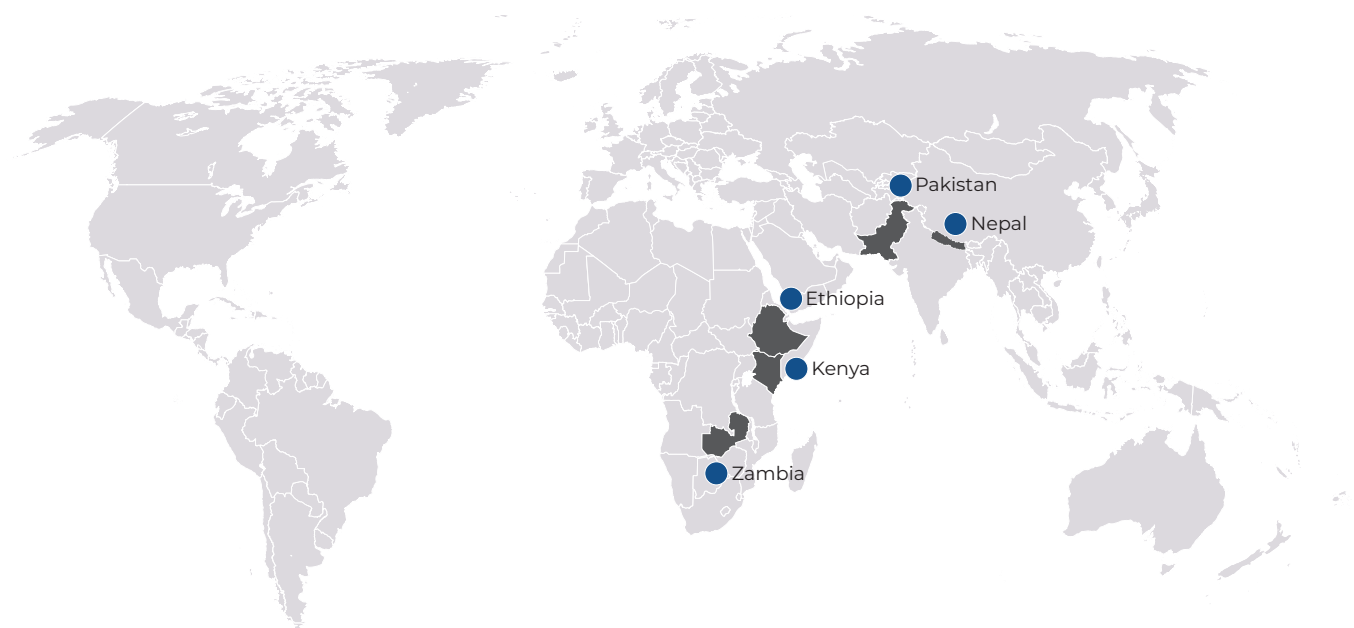
IATI - US fiscal year 2024; Publish What You Fund measurement approach





United Kingdom – Foreign, Commonwealth and Development Office (FCDO)

● UK-FCDO



KEY FINDINGS

This review examined funding data for five countries and found the following for US fiscal year 2024:

- Applying Publish What You Fund’s measurement approach, 6.3% of funding went directly to local organisations.
- For the numerator, Publish What You Fund’s measurement approach counted \$22 million of FCDO funding as local.
- For the denominator, the Publish What You Fund approach counted \$359 million as the envelope of funding to be considered.

DENOMINATOR

The denominator modelled included all the aid flows marked with a tick in Table 12. This included all project-type interventions, including all implementer types, except public sector implementers. It excluded non-project spending.



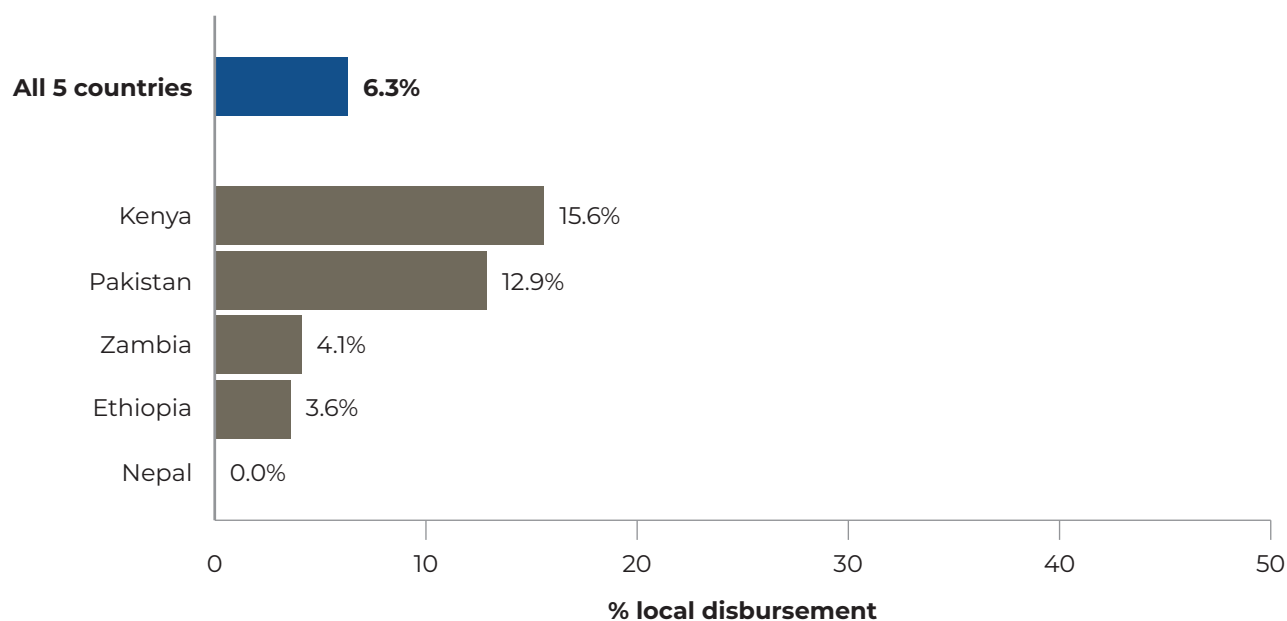
Table 12 – Funding streams included in the Publish What You Fund denominator across five FCDO funded countries

Aid type	Receiver type	Total	PWYF denominator
A02 – Sector budget support	NGO	\$861,900.00	✗
C01 – Project-type interventions	Academia	\$183,729.90	✓
C01 – Project-type interventions	Multilateral	\$4,063,215.39	✓
C01 – Project-type interventions	NGO	\$8,619,000.00	✓
C01 – Project-type interventions	Private	\$15,249,000.00	✓
C01 – Project-type interventions	Public sector	\$4,641,000.00	✗
C01 – Project-type interventions	UN agency	\$3,223,238.15	✓
C01 – Project-type interventions	Unknown	\$4,371,106.62	✓
G01 – Administrative costs not included elsewhere		\$94,831,805.21	✗
No Data	Academia	\$134,797,604.33	✓
No Data	Multilateral	\$24,158,990.70	✓
No Data	NGO	\$20,526,088.83	✓
No Data	Private	\$6,486,807.25	✓
No Data	Public sector	\$547,392,733.10	✗
No Data	Redacted	\$31,197,368.87	✓
No Data	UN agency	\$10,830,861.49	✓
TOTAL		\$417,605,202.94	\$359,498,820.05

COUNTRY-LEVEL FINDINGS

Graph 11 – Comparison of local funding across five FCDO funded countries using Publish What You Fund’s measurement approach

Filtered by US fiscal year 2024; Programme support interventions only, all entity types excluding public sector





Graph 11 shows that using Publish What You Fund's measurement approach at the individual country level, the proportion of direct project funding channelled to local organisations was highest in Kenya. There, 15.6% of FCDO funds went to local organisations. In Pakistan, 12.9% of funds were channelled directly to local organisations. This was followed by Zambia at 4.1% and Ethiopia at 3.6%. No funding was channelled directly to local organisations in Nepal.

Table 13 – Funding per country for FCDO using Publish What You Fund's measurement approach

Country	Total project funding	Local disbursements	Proportion of funding to local organisations
Kenya	\$45,395,101.76	\$7,074,868.66	15.6%
Pakistan	\$59,628,202.23	\$7,659,248.34	12.9%
Zambia	\$43,176,503.87	\$1,762,774.43	4.1%
Ethiopia	\$167,146,511.34	\$6,015,213.67	3.6%
Nepal	\$44,152,500.85	\$0	0.0%
TOTAL	\$359,498,820.05	\$22,512,105.10	6.3%

FCDO directly channelled \$22.5 million to 22 local organisations across four of the five sampled countries. Of this funding, \$22 million went to 16 local NGOs. The remaining \$0.5 million of funding went to five local private organisations and one local academic organisation.

Table 14 – Local organisations receiving direct funding across five FCDO funded countries

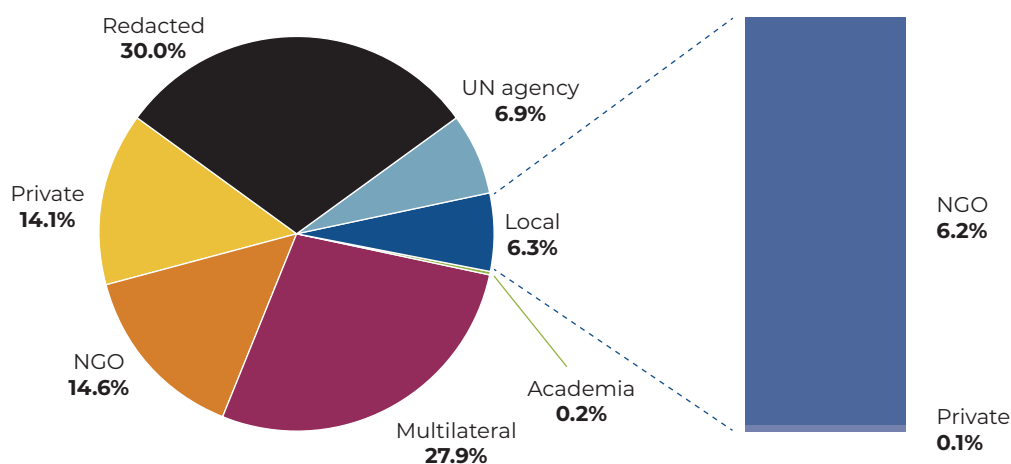
Country	Type of receiving entity	Number of local organisations	Local disbursements
Ethiopia	NGO	2	\$6,015,213.67
	Academia	1	\$29,049.44
Kenya	NGO	8	\$6,787,258.80
	Private	5	\$258,560.42
Pakistan	NGO	5	\$7,659,248.34
Zambia	NGO	1	\$1,762,774.43
Nepal		0	\$0
TOTAL		22	\$22,512,105.10

In comparison, FCDO channelled four times as much funding (\$90 million) to UK-based organisations operating in the sample countries than to local organisations within those countries. Graph 12 provides a comparison of local and non-local funding and the types of organisations funded across the five countries reviewed.



Graph 12 – Entity recipient types across five FCDO funded countries for non-local and local funding

IATI - US fiscal year 2024; Publish What You Fund measurement approach



DATA QUALITY ISSUES

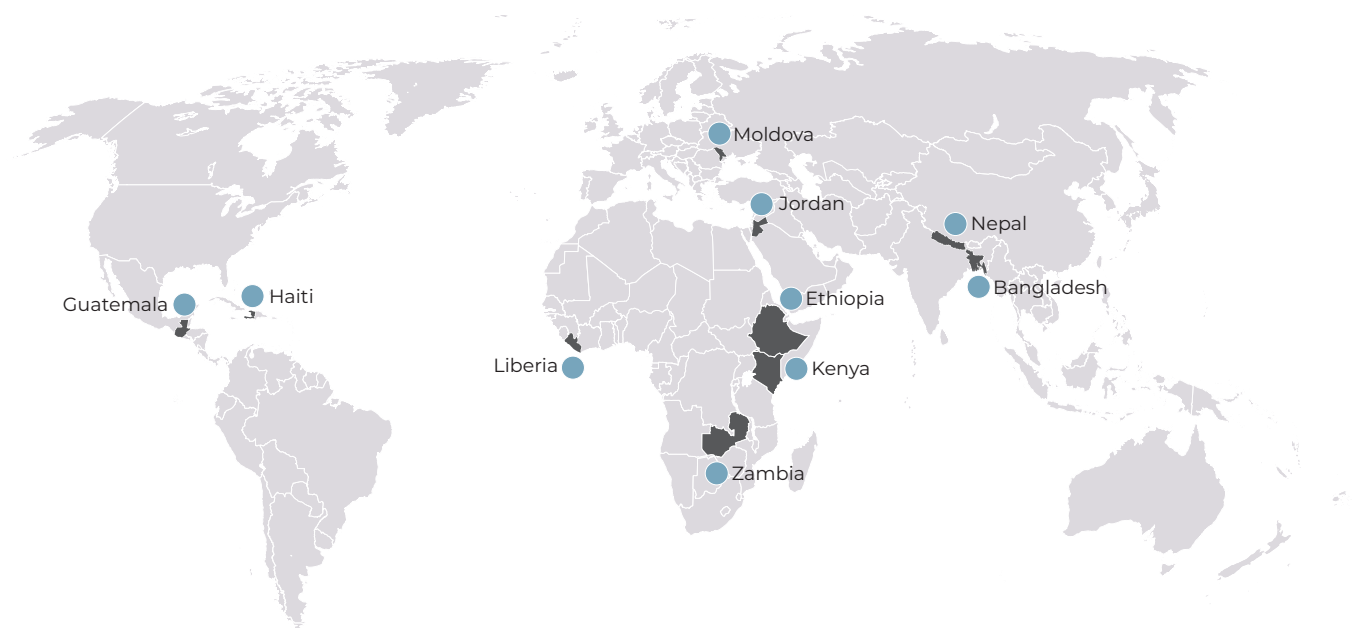
FCDO's use of redactions made it challenging to get a full picture of the receivers – 30% or \$108 million of FCDO data analysed was redacted across the five countries sampled. The percentage of redactions for each country reviewed is shown below:

- Ethiopia – 44% redacted
- Kenya – 21% redacted
- Pakistan – 21% redacted
- Nepal – 20% redacted
- Zambia – 8% redacted



United States Agency for International Development (USAID)

● USAID



KEY FINDINGS

This review has examined the same ten countries that were studied in our previous Metrics Matter reports and found the following for US fiscal year 2024:²¹

- Applying USAID's measurement approach, 9.9% of funding went directly to local organisations. This was a drop of 0.4% on US FY2023.
- Applying Publish What You Fund's measurement approach, 5.1% of funding went directly to local organisations. This was a slight drop of 0.1% on US FY2023.

In addition to funding percentages, we also analysed the funding amounts that result from the differing measurement approaches of USAID and Publish What You Fund for our ten countries:

1. For the numerator, USAID's definition of local counted \$27 million more than the Publish What You Fund approach. This was a 14% inflation of total funding to local organisations, and correlated to the continued counting of organisations which are affiliated with international organisations (e.g., Right to Care Zambia).
2. There continued to be a significant difference between what USAID and Publish What You Fund included in the denominator. USAID's denominator reduced the envelope of funding considered for its target from \$3.4 billion to \$2 billion.
3. The contrast between measurement approaches remained stark. When using USAID's definition and denominator, the proportion of funds going to local organisations was 9.9%, or \$202 million out of a total funding pot of \$2 billion. When using the Publish What You Fund approach, the proportion of funds going to local organisations was 5.1%, or \$175 million out of a \$3.4 billion funding pot.
4. For USAID to achieve its 25% goal using its current measurement approach, it would have needed to direct an extra \$311 million to local organisations just in our ten sample countries. Using the Publish What You Fund approach, USAID would have needed to directly fund an extra \$676 million to local organisations in the ten countries assessed.

²¹ Prior to USAID's sudden closure, it had its own measurement approach and direct local funding target. For a detailed comparison of how the approaches compare, see our [USAID methodology](#) and read our [Metrics Matter II](#) report.



DENOMINATOR

The denominator modelled included all the aid flows marked with a tick in Table 15 for both Publish What You Fund's and USAID's approaches.

Table 15 – Funding streams included in the Publish What You Fund and USAID denominators

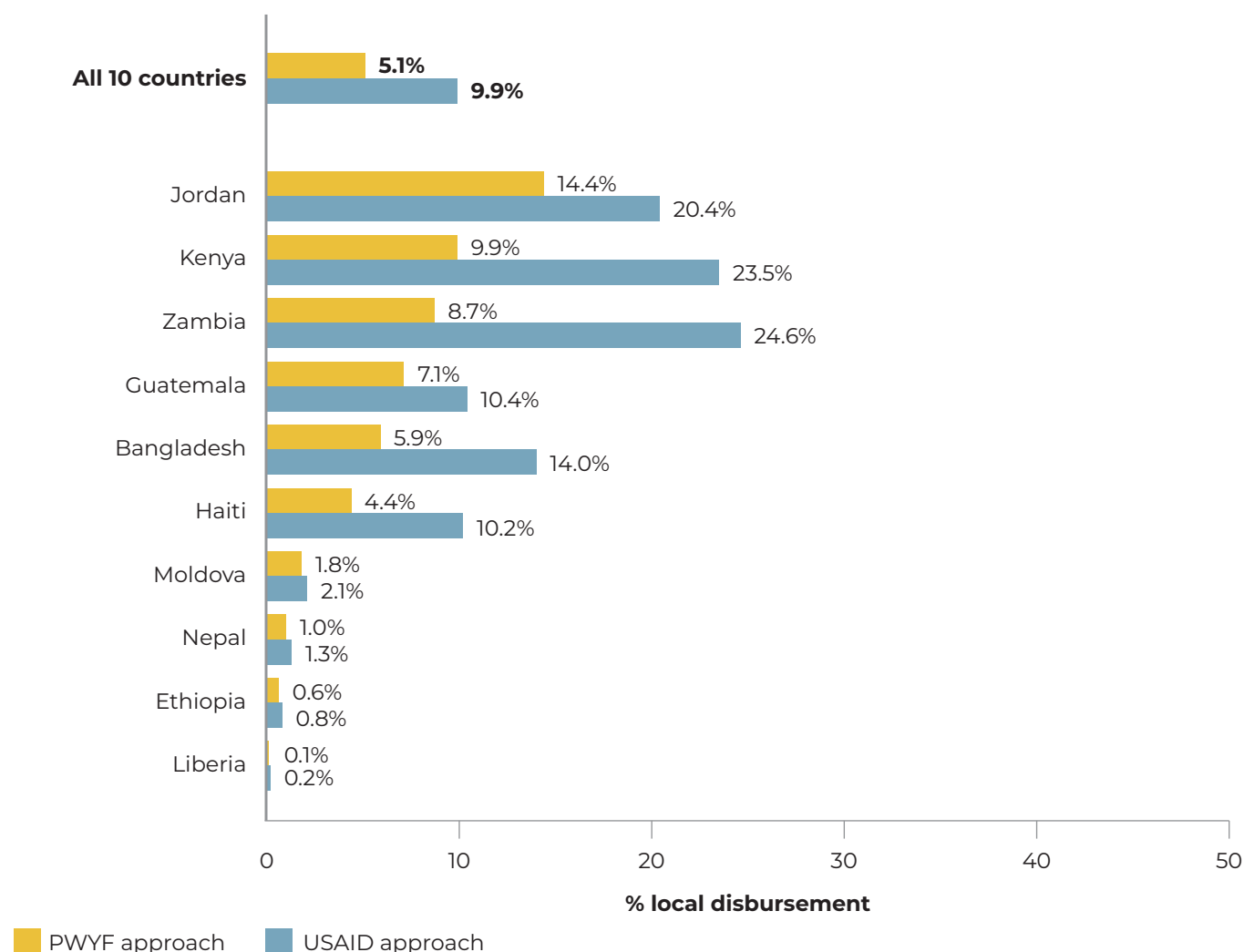
Aid type	Receiver type	Total	PWYF denominator	USAID denominator
A02 - Sector budget support	Public sector	\$902,881,007	⊗	⊗
A02 - Sector budget support	Unknown	\$8,375,000	⊗	⊗
B021 - Core contributions to multilateral institutions	UN agency	\$89,568	⊗	⊗
B03 - Contributions to specific-purpose programmes and funds managed by implementing partners	UN agency	\$201,468	✓	⊗
C01 - Project-type interventions	Academia	\$36,325,272	✓	✓
C01 - Project-type interventions	Global program	\$82,757,736	✓	⊗
C01 - Project-type interventions	Multilateral	\$10,603,742	✓	⊗
C01 - Project-type interventions	NGO	\$1,411,950,161	✓	✓
C01 - Project-type interventions	Private	\$605,482,262	✓	✓
C01 - Project-type interventions	Public sector	\$13,959,665	⊗	⊗
C01 - Project-type interventions	Redacted	\$292,956,103	✓	⊗
C01 - Project-type interventions	UN Agency	\$723,884,708	✓	⊗
C01 - Project-type interventions	Unknown	\$239,169,786	✓	⊗
D01 - Donor country personnel		\$15,785,387	⊗	⊗
D02 - Other technical assistance		\$21,072,317	⊗	⊗
G01 - Administrative costs not included elsewhere		\$266,924,936	⊗	⊗
TOTAL		\$4,632,419,118	\$3,403,331,238	\$2,053,757,695



COUNTRY-LEVEL FINDINGS

Graph 13 – Results comparing Publish What You Fund's measurement approach to identifying local organisations with USAID's approach

IATI - US Fiscal Year 2024; USAID & Publish What You Fund measurement approaches



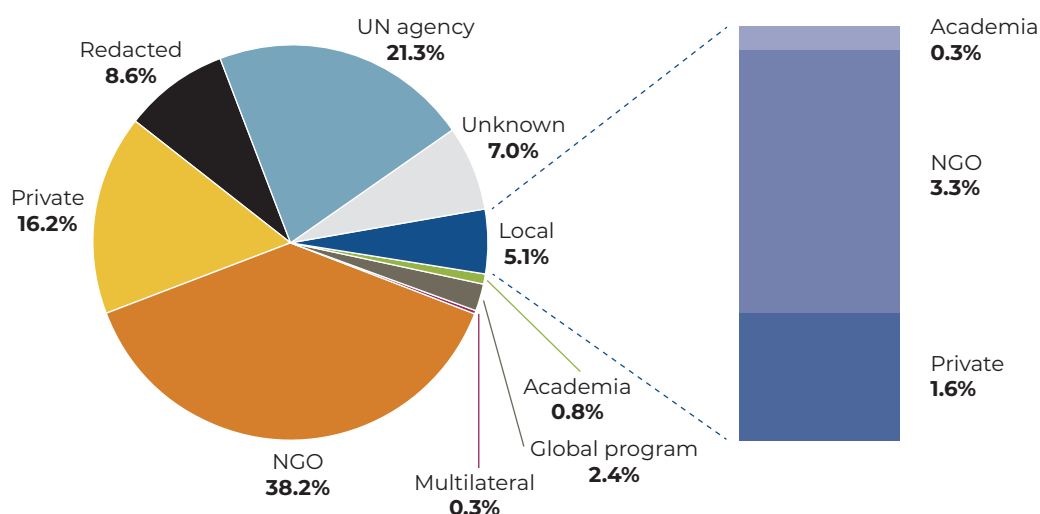
As graph 13 shows, using Publish What You Fund's measurement approach at the individual country level, the proportion of USAID funding which directly funded local organisations was highest in Jordan. There, 14.4% of USAID funds went to local organisations. The other nine countries all had local funding proportions below 10%. Kenya was second with 9.9%. In Zambia, 8.7% of funds went to local organisations, followed by Guatemala at 7.1%, Bangladesh at 5.9%, and Haiti at 4.4%. Moldova and Nepal both had less than 2% with 1.8% and 1.0% respectively. Ethiopia (0.6%) and Liberia (0.1%) had the lowest direct local funding proportions.

Using the USAID approach, a higher proportion of organisations were counted as local. As a result, Zambia has the highest level of direct local funding at 24.6%. Kenya was a close second at 23.5%, followed by Jordan at 20.4%, Bangladesh at 14%, Guatemala at 10.4%, and Haiti at 10.2%. For Moldova and Nepal, funding dropped below 3% for both, at 2.1% and 1.3% respectively. Ethiopia (0.8%) and Liberia (0.2%) remained the countries with the lowest direct local funding proportions.

Compared to FY2023, six out of the ten countries saw the proportion of USAID funding channelled directly to local organisations decrease in US FY2024. These were Ethiopia, Haiti, Kenya, Liberia, Nepal, and Zambia. Ethiopia and Liberia saw the biggest drops in direct local funding. The remaining four countries – Bangladesh, Guatemala, Jordan, and Moldova – all saw an increase in the proportion of direct local funding.

**Graph 14** – Entity recipient types across 10 USAID funded countries for non-local and local funding

IATI - US fiscal year 2024; Publish What You Fund measurement approach



Using the Publish What You Fund approach, USAID directly channelled \$175 million to 72 local organisations across the 10 countries sampled. Of this funding, \$111 million went to 45 local NGOs, \$54 million went to 23 local private organisations, and \$10 million went to four local academic institutions. Using USAID's approach, it directly channelled \$202 million to 80 organisations across the 10 countries assessed. Of this funding, \$138 million went to 51 NGOs, \$55 million went to 25 private organisations, and \$11 million went to four academic institutions. This highlights that USAID counted an additional eight organisations (or \$27 million) as local compared to the Publish What You Fund approach – all eight of these organisations were in some way affiliated to an international organisation. Graph 14 provides a comparison of local and non-local funding and the types of organisations funded across the 10 countries reviewed.



Annex Two

Coding protocol for categorising implementing organisations

Publish What You Fund's localisation research followed the Inter-Agency Standing Committees (IASC) definition of local²². Using the IASC definition as our foundation, we used a standardised approach to categorise implementing organisations. The approach identified 12 organisational characteristics which can be used to categorise implementers as "local". The series of questions below was replicated across each of the countries reviewed for our five donors'. This protocol sets out how to research each question in a standardised way to support future research.

Question	Method	Source 1: Organisation's website/online search	Source 2: Open Corporates ²³ opencorporates.com	Source 3: NGO Registry iatiregistry.org www.wango.org	Source 4: IATI data	Source 5: LinkedIn	Notes
Entity's principal place of business (donor country, recipient country, third country)	Review of headquarters address	Organisation's website. HQ location may be found on the 'Contact us' page/locations page or in footnotes.	Search for entity name	Search for entity name	Search for entity name	Organisation LinkedIn page office address	The receiver organisation is the only entity being assessed. For example, if 'Oxfam GB' is listed as the recipient for activities in multiple countries sampled but the recipient name is 'Oxfam GB', we would assess only the UK office location and not any in-country offices. Unless the 'receiver org' column explicitly states that the funding reported was received by the country-based office the presence of other country-based offices is not relevant for this assessment.
Type of entity (private, academia, NGO, Public Sector, multilateral)	Self-assessment of organisation type	Organisation's website. Review the 'about us' section			IATI data (if available)		We use "National NGO" to refer to a recipient country NGO and "International NGO" to refer to other home-country based NGOs.
Organisation's focus (sub-national, national, regional, international)	Review of locations of work	Review the 'work we do' section.			IATI data (if available)		<i>International</i> : crossing two or more borders across regions <i>Regional</i> : across two or more country borders within a region <i>National</i> : within one country only (Consider how a local stakeholder would define this)

²² The IASC definition of "Local and national non-state actors" are "Organisations engaged in relief that are headquartered and operating in their own aid recipient country and which are not affiliated to an international NGO". Note: "A local actor is not considered to be affiliated merely because it is part of a network, confederation or alliance wherein it maintains independent fundraising and governance systems".

²³ The Open Corporates website is a single repository for all publicly accessible corporate data so this will be a secondary source should the entity not have much information on their own website. It could also be used to triangulate the findings from the organisation's website.



Question	Method	Source 1: Organisation's website/online search	Source 2: Open Corporates opencorporates.com	Source 3: NGO Registry iatiregistry.org www.wango.org	Source 4: IATI data	Source 5: LinkedIn	Notes
Is the organisation a CBO? (i.e. does it only work sub-nationally within the area local to the organisation's HQ)	Self-assessment of CBO claims	Review the 'work we do'/'About sections. Many CBOs do not have a large online presence.					Yes: <u>ONLY</u> if it exclusively works sub-nationally in the area where it is based. Sub-national in this case means the organisation only works for a single community and not across multiple regions of a country. <u>Note:</u> Some organisations have local representation but are international, this would not be a CBO.
Is the organisation legally organised under national laws in the recipient country? (yes/no)	Review of registered address information. Company or NGO registration number	Contact/about us section. Company/ NGO reg. number (if it is in recipient country)	Company listed addresses	NGO listed addresses			Yes/No. If an organisation has its address in the recipient country this is a 'Yes' (Q1)
Is the organisation a subsidiary/brand of an international organisation? (yes/no)	Review of organisation structure & name(s)	Organisation's website 'About us' section/ Report/Executive Summaries, etc. <u>PLUS</u> , check through an online key word search for: 'organisation name' + 'subsidiary/owned'	Check company ownership structure on OC				<u>Private entity:</u> Check if the organisation is owned by an INTERNATIONAL company. The parent company might have a different name from the entity being assessed therefore check Open Corporates. <u>NGO:</u> check if the organisation uses the brand of an INTERNATIONAL NGO (e.g. Oxfam).
Is the organisation a subsidiary/brand of a regional organisation? (yes/no)	Review of organisation structure & name	Organisation's website 'About us' section/ Report/Executive Summaries, etc. <u>PLUS</u> , check through an online key word search for: 'organisation name' + 'subsidiary/owned'	Check company ownership structure on OC				<u>Private entity:</u> Check if the organisation is owned by a REGIONAL company. The parent company might have a different name from the entity being assessed therefore check Open Corporates. <u>NGO:</u> check if the organisation uses the brand of a REGIONAL NGO.
How long has the organisation been operating in the country? (founding date)	Review of organisation history	Organisation's website 'About us' section	Check Corporate registry for dates as well. Be aware if the organisation has changed their name.				Record the start year of the organisation
Was the organisation originally established by an international organisation?	Review of organisation structure & name(s), incl. previous names.	Organisation's website 'About us' section. <u>PLUS</u> , check through an online key word search for: 'organisation name'.	Check company ownership structure on OC				<u>Private entity:</u> Check if the organisation was originally established by an INTERNATIONAL company. The parent company might have a different name from the entity being assessed therefore check Open Corporates. <u>NGO:</u> check if the has previously used the branding of an INTERNATIONAL NGO.



Question	Method	Source 1: Organisation's website/online search	Source 2: Open Corporates opencorporates.com	Source 3: NGO Registry iatiregistry.org www.wango.org	Source 4: IATI data	Source 5: LinkedIn	Notes
Does the organisation maintain independent fundraising? (Yes/No)	Review of organisation structure, annual accounts (where available), and annual reports.	'About us' or sections outlining funders. Also look for references to local organisation in the annual reports/ websites of linked INTERNATIONAL organisations					<u>Yes</u> : organisation has a diverse number of funders and receives only a small proportion of funding from a linked INTERNATIONAL entity. <u>No</u> : organisation receives large proportions of its funding (e.g. restricted/project funding and/or unrestricted/general funding) from a linked INTERNATIONAL entity.
Does the organisation maintain independent governance? (Yes/No)	Assessments of organisation board members in HQ office and also website text regarding governance processes.	'About us' or 'governance' sections. Also look for references to local organisation in the annual reports/ websites of linked INTERNATIONAL organisations				LinkedIn board members search	<u>Yes</u> : If the entities have their own independent policies, practices, and board members/board chair. <u>No</u> : If the entity has policies, practices or board members from a linked organisation.
Does the organisation have a bank account in the recipient country? (yes/no)	Self-assessment of organisation addresses/registrations	Search for address in recipient country. Can be found on the 'Contact us' page or org. address on site footnote.	Check addresses on Open Corporates	Check NGO registration location			If organisation has its address in the recipient country (Q1) it is safe to assume 'Yes,' unless there is strong evidence against.