



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.