The Charter for Change (C4C) Commitments provide targets for INGOs to make meaningful change towards localisation of aid. Since 2015, 39 signatories have joined the Charter, supported by over 600 local and national NGOs holding signatories accountable. This Annual Spotlight looks at self-reporting from 19 signatories at global headquarters, and 118 responses from 18 signatories at the country level, tracking change across key areas in support of locally-led response: developing the transparency and quality of funding, building quality partnerships and supporting change at the country level. The 2023 Spotlight, while being the first year to reach the 25% pass-on-funding to national partners, illustrates that progress towards meeting other localisation commitments is continuing - but at a modest pace among the reporting C4C signatories.

**Commitments**

- **Funding**
  - 25%
  - Commit to pass 25% of humanitarian funding to National NGOs
  - Based on 16 complete responses

- **Partnership**
  - 4.2
  - Reaffirm principles of partnership

- **Transparency**
  - 3.5
  - Publish the amount or percentage of funding that is passed to NNGOs

- **Recruitment**
  - 4.0
  - Address and prevent the negative impact of recruiting NGO staff during emergencies

**Advocacy**

- 4.5
- Emphasise the importance of national actors to humanitarian donors

**Equality**

- 3.8
- Address subcontracting and ensure equality in decision-making

**Support**

- 3.7
- Provide robust organisational support and capacity building

**Promotion**

- 3.7
- Promote the role of local actors to media and public

**Scores calculated from 18 signatories ranking compliance with each commitment on a scale of 0-5.**

**Organisational policy supports core/admin funding for local partners:**

- HQ: 19 responses
- Yes: 42
- No: 58

**Core funding is provided to local and national partners:**

- Country Level: 104 responses
- 9
- 13
- 13
- 13
- 49

**The amounts going to national and local partners are published:**

- HQ: 19 responses
- 42
- 58
- 11
- 18
- 47
- 26

All figures given are percentages

**Transparency & Quality of Funding**

- Internal cost recovery for national partners is an essential foundation for localisation, allowing local and national organisations to invest in strengthening capacity and plan for the long term. However, progress towards these C4C commitments has slowed, most organisations still do not have a policy supporting structural provision of internal cost recovery for partners, though four organisations have implemented such policies since the last report. In practice, the majority do provide such funding for all or most of their partners at country level, this remains at around 60 percent as in previous years. Transparent publication of funds going to national and local partners similarly remains at around half of the reporting signatories in public accounts, and only a quarter in IATI.

1 Reporting figures remain low this year with only 19 of 39 signatories, less than half, responding. Along with the stagnation of progress towards localisation commitments this points to a worrying trend in the sector, which consistently fails to follow rhetoric with action at the global or country level. The low response rate limits comparability with previous years and should be taken as representative only of those who responded.
Conclusions

The Charter for Change, when first conceived in 2015, offered an important roadmap towards meaningful change that would shift the balance of power in the humanitarian sector away from large INGOs towards local and national NGOs taking the lead in crisis response. These Commitments provide concrete targets for change in organisational ways of working at both the global and programme level. This year’s survey, looking at 2022, found that initial progress has slowed, and many of the targets still have not been met. While the country level surveys provide useful insight into signatories’ actions at the country level, the low response rate at the global level (as compared to 29 reporting signatories in 2019-2020) continues to be a significant source of concern for the Charter for Change and signatories’ accountability against the Commitments. Renewed commitment by senior management of all the C4C signatories is needed to further drive the localisation agenda as central to humanitarian action and system reform, rather than risk it becoming a rhetorical rather than a real commitment.