

ACCELERATING LOCALIZATION

A Roadmap for The Sudan Humanitarian Fund

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About Refugees International

Refugees International advocates for lifesaving assistance and protection for displaced people and promotes solutions to displacement crises around the world. We do not accept any government or UN funding, ensuring the independence and credibility of our work.

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Introduction

The Sudan Humanitarian Fund (SHF) is one of the largest and most innovative [United Nations Country-Based Pooled Funds](#) (CBPFs), playing a central role in responding to the world's most severe displacement and hunger crisis. Yet on one crucial front, it falls behind: localization—the shifting of resources and decision-making power to local actors, widely recognized as the key to more efficient, sustainable, and accountable humanitarian action. Today, only a fraction of SHF funding reaches local Sudanese responders directly or indirectly, and their influence within the SHF remains limited.

The SHF's performance on localization stands in sharp [contrast](#) to funds such as those in Yemen, Somalia, Myanmar, and Ethiopia, where Local and National Actors (L/NAs) are receiving substantially higher levels of both direct and indirect support on an annual basis amid protracted internal armed conflict. The gap is particularly stark when contrasted with the critical role Sudanese groups play on the ground in the front line of the humanitarian response—and their continued lack of adequate funding and representation within the SHF. Community responders such as Sudan's Emergency Response Rooms (ERRs) and other mutual aid groups (MAGs) have proven themselves particularly indispensable, supporting millions in areas that international agencies struggle to reach.

Part of this gap, especially when it comes to direct funding, reflects Sudan's difficult context: decades of civil society repression, state co-optation of L/NAs, the ongoing conflict, and the effective bifurcation of the country. Yet these barriers do not erase the opportunity—and need—for greater progress. The SHF can and should play a decisive role in scaling and enabling this local leadership.

This report does not seek to evaluate the SHF. Instead, it focuses on a forward-looking roadmap. Grounded in global best practice and informed by the SHF's own innovations, these recommendations are designed to spark an urgent, inclusive dialogue—above all with Sudanese responders—on how to unlock a new phase of localization in Sudan.

The roadmap begins with three immediate priorities: launching a listening tour with Sudanese actors, developing a localization strategy, and taking concrete steps to expand both funding and representation for local responders. It sets measurable goals, including scaling up a successful program to indirectly support ERRs/MAGs to at least 25 percent of all SHF allocations by the end of 2025 and ensuring that at least half of all funding—direct and indirect—reaches L/NAs, ERRs, and MAGs in 2026. Further actions chart the path toward deeper shifts in decision-making power, funding flows, and governance.

Whatever specific reforms are ultimately adopted, two priorities must remain at the center: establishing a reasonable but still ambitious pathway to substantially increase both direct and indirect funding for L/NAs, and ensuring their meaningful participation in governance and decision-making.

The SHF stands at a pivotal moment of opportunity. Under the leadership of a new Humanitarian Coordinator (HC) in September 2025, the SHF is well placed to move decisively and responsibly, especially since the HC retains wide latitude for change and experimentation under global CBPF guidelines. Donors have already signaled their readiness. [The November 2024 Donor Guidance Note](#) and subsequent statements explicitly call for supporting more inclusive, locally led pooled funds that get more funding as directly as possible to L/NAs. The Emergency Relief Coordinator (ERC) Tom Fletcher has expressed support for 70 percent of pooled funds being directed to L/NAs and 33 percent of HRP resources being managed through CBPFs. In Sudan, these targets could translate into [more than \\$100 million](#) in direct funding for L/NAs (up from only \$1.4 million in 2024) and several hundred million dollars more in SHF-managed resources.

Crucially, despite the immense risks, Sudanese responders are now better positioned than ever to deliver—drawing on years of building networks, programs, and partnerships with both local and international actors. This moment demands that they push the transformative potential of localized leadership even further. With reforms that treat localization as a strategic priority, the SHF can move onto a fast track—further strengthening ERRs, MAGs, and L/NAs, delivering aid more efficiently to those in need, and positioning itself as a flagship of the global Humanitarian Reset launched by the ERC earlier this year.

Methodology

This report draws on extensive desk research and more than a dozen bilateral interviews with INGO and L/NA representatives, CBPF officials, and OCHA staff. Consultations also included roundtables in August 2025 with Sudanese responders from eight ERRs and national NGOs, as well as discussions with donors supporting the Sudan response. The analysis further reviewed CBPF best practices globally, with particular attention to the Ethiopia, Somalia, Ukraine, and Lebanon Humanitarian Funds.

The Deepening Humanitarian Crisis in Sudan

Sudan today stands at the epicenter of the world's most severe humanitarian crisis. Two years of war have left over **30 million people**—more than half the population—in urgent need of assistance, while more than 12 million have been displaced, making Sudan both the largest and fastest displacement crisis in the world. Since April 2023, the Sudanese Armed Forces (SAF) and Rapid Support Forces (RSF), along with allied militias, have engaged in intense fighting marked by atrocities against civilians, destruction of infrastructure, restrictions on aid, and siege tactics that have crippled entire cities. Today, the country is effectively split between SAF control of the north and east and RSF control of the west. In Al Fasher, North Darfur's besieged capital, families face soaring food prices—over six times the national average—while the last functioning major hospital struggles to stay open. The crisis is nowhere more stark than for **children**: 5 million displaced, 14 million out of school, and 3.2 million under five projected to be acutely malnourished in 2025.

By mid-2025, **IPC analysis** confirmed famine (IPC Phase 5) in at least five locations—including the Zamzam, Abu Shouk, and Al Salam camps around El Fasher in North Darfur, as well as the Western Nuba Mountains—and projected famine in additional North Darfur localities such as Um Kadadah, Melit, El Fasher, At Tawisha, and Al Lait, with approximately 638,000 people already experiencing catastrophic hunger—a stark increase from late 2024 levels.

Simultaneously, Sudan faces a collapsing health system—70 percent of facilities are nonfunctional in conflict areas—and a deadly **cholera outbreak** that has killed over 2,400 people and spread to 17 of 18 states. Seasonal floods and climate shocks layer on new burdens, destroying shelters, severing aid routes, and deepening hunger. Protection risks compound the crisis, with widespread sexual violence, forced recruitment, and grave rights violations against children.

Despite this scale of suffering, the humanitarian response remains underfunded. The 2025 Humanitarian Response Plan sought \$4.2 billion but is only **24.5 percent** funded, leaving a \$3.2 billion shortfall. Sudan risks sliding into famine, epidemic disease, and mass displacement at a scale the global system may be unable to absorb.

The Role of the SHF

In this bleak environment, the SHF has emerged as a crucial lifeline, sustaining relief operations and disbursing hundreds of millions of dollars to frontline partners. Beyond size, the SHF has stood out for innovative mechanisms designed to adapt pooled funding to Sudan's volatile and high-risk context.

For example, when famine risk escalated in 2024, the SHF [directed \\$37 million to 15 high-risk localities](#) (eventually accounting for more than 20 percent of total SHF funding), nearly half before the formal designation of famine-risk areas—demonstrating anticipatory action at scale. In response to the cholera epidemic, pooled funds (SHF and [CERF](#) combined) released \$27.5 million for [vaccination campaigns](#), treatment centers, and hygiene interventions, driving daily cases in Khartoum down from 1,500 to fewer than 30. Such flexibility illustrates how pooled funds can save lives quickly, even in fast-changing crises.

The SHF has also pursued grant-making approaches that support community-centered humanitarian action. In 2024, it [piloted](#) a micro-grant system for ERRs and MAGs (referred to in this report as the MAG/ERR program)¹, enabling community responders to request up to \$5,000 without clearance, \$20,000 with light-touch approval, and larger sums with one-time authorization through INGO intermediaries who manage the program. This “donation-style” modality respects the informal, grassroots identity of ERRs and MAGs while ensuring accountability, allowing community projects to be funded within days rather than months. In summer 2025, an additional \$13 million was allocated to the program through six INGOs with the SHF estimating in a private May 2025 report that at least 60 percent of those funds would ultimately reach ERRs and MAGs.

At the same time, the SHF [implemented](#) a “Risk Absorption Note” that introduced temporary capacity assessments, flexible reporting, and alternative fund transfer methods—all intended to reduce L/NA burdens and better share risk. These reforms acknowledged the extraordinary risks Sudanese responders face and sought to keep funding flowing even when traditional compliance systems might otherwise block it.

Another major shift was the adoption of area-based allocations. Instead of fragmented, sectoral calls, the SHF invited NGOs to jointly design proposals for specific localities, rewarding collaboration, local presence, and inclusion of national partners. In December 2024, this approach yielded 22 coordinated concept notes (instead of 100+ proposals), cut review times to one week, and

¹ Mutual aid groups are small, often informal neighborhood-based initiatives that mobilize food, medicine, and basic support through volunteerism and community solidarity. Emergency Response Rooms—many of which were neighborhood Resistance Committees during the 2019 revolution—started in a similar way, but eventually developed a more structured network, operating as decentralized crisis coordination cells that triage needs, mobilize resources, and link multiple community groups during emergencies.

channeled 40 percent of area-based funding to national NGOs—twice the usual share, delivered through smaller grant sizes or tiers. By year’s end, area-based allocations accounted for 60 percent of all SHF funding (\$107 million), becoming the Fund’s dominant modality.²

Finally, the SHF stands out for its scale. In 2024, it became the largest [UN-led Country-Based Pooled Fund](#) worldwide, disbursing \$181 million. Just as striking, it accounted for nearly 10 percent of [Sudan’s Humanitarian Response Plan](#) (HRP)—the [second-highest](#) share of HRP funding provided by any pooled fund in any country.

However, despite its size, importance, and innovations, the SHF is behind peer pooled funds when it comes to key localization metrics—the very indicators that [donors, UN leadership, and humanitarian reform processes](#) increasingly regard as critical for the [efficiency, sustainability, and accountability of aid](#). In 2024, Sudan [registered](#) the lowest proportion of CBPF funding directly to L/NAs globally, at just 1 percent (or \$1.4 million), and the lowest proportion of combined direct and indirect funding flowing to L/NAs, at only 23 percent, or \$42.4 million (when compared to 15 other CBPFs). In the first eight months of 2025, both indicators declined: zero percent of SHF funding has gone directly to local and national actors, and only 16 percent has reached them indirectly.³ It is important to note that there are delays in updating funding flows via [OCHA’s Dashboard](#) that can affect calculations in both 2024 and 2025.

More importantly, according to the SHF, MAG/ERRs are considered beneficiaries, so funding allocated indirectly to them is not flagged as a budget pass-through to a Sudanese implementing entity. The SHF therefore estimates that \$6 to 8 million may be left out of the amount considered as indirect funding via OCHA’s Dashboard for 2024 (and similarly in 2025). Even accounting for this, however, and assuming other CBPFs do not have a similar reporting issue, the SHF’s performance on direct and indirect funding would still rank last among the 16 CBPFs. And it also still stands in sharp [contrast](#) to funds such as those in Yemen, Somalia, Myanmar, and Ethiopia, where L/NAs are receiving substantially higher levels of both direct and indirect support on an annual basis amid protracted internal armed conflict.

The localization gap is particularly stark when contrasted with the critical role Sudanese groups play on the ground in the front line of the humanitarian response—and their continued lack of adequate funding and representation within the SHF.

² Since mid-2024, area-based consortia are required to dedicate up to two percent of budgets to joint training, mentoring, secondments, or systems development for local partners. This is meant to ensure that capacity-building is not an afterthought but a competitive advantage in project selection, helping Sudanese NGOs strengthen their systems while delivering aid.

³ While the Annual Reports of different CBPFs, including the SHF, sometimes use varying timeframes to present progress, [OCHA’s dashboard](#) remains the most reliable tool for consistently comparing metrics across funds.

Mutual Aid Groups and Emergency Response Rooms

When Sudan's war erupted in April 2023, the formal humanitarian system faced enormous challenges in maintaining access across conflict frontlines and particularly in RSF-held territory. Sudanese communities rose to the challenge, creating a new grassroots humanitarian movement. Emergency Response Rooms, neighborhood-based volunteer crisis cells rooted in the resistance committees of the 2019 revolution, and countless mutual aid groups quickly became lifelines. These initiatives, run on volunteerism and solidarity, delivered food, medicine, shelter, and evacuations at a time when international aid could not reach many communities.

The scale of their impact has been remarkable. ERRs reached an estimated 2.7 million people in the first months of the conflict, often in areas cut off from outside assistance. According to a [2024 review](#), ERRs operate far more efficiently than INGOs, owing to their deep community roots, rapid mobilization, and strong knowledge of local needs. In Khartoum, for example, ERRs organized hundreds of community kitchens and dozens of health clinics, supported by thousands of volunteer doctors, nurses, and local professionals. MAGs likewise took shape across neighborhoods, sustaining families through communal kitchens, makeshift clinics, and women's safe spaces, often funded initially by diaspora contributions and Sudan's long-standing tradition of *nafeer*, or collective mobilization.

Over time, these local initiatives began scaling and coordinating in more formal ways. By late 2023, a nationwide platform—the [Localization Coordination Council \(LCC\)](#)—was established to link together state-level ERR networks, Sudanese NGOs, and international observers. The LCC became a connective tissue, facilitating resource-sharing, prioritizing needs, and advocating for the recognition of grassroots responders. Importantly, it did so while respecting the decentralized and autonomous nature of ERRs, adopting a principle of subsidiarity: local decisions remained with the communities themselves, while national-level coordination supported them without dictating outcomes.

The risks remain immense. ERR and MAG volunteers face harassment, arrest, and targeting by authorities and armed actors who accuse them of siding with one side or the other. Their neutrality and humanitarian character have been tested repeatedly in a highly politicized environment, where visibility itself can invite threats. Many of their operations survive on small, short-term contributions; a community kitchen may run for just eleven days before resources dry up, even as demand persists. Still, their ability to persist under such conditions speaks to their resilience and the trust they hold in their communities.

From their beginnings as improvised neighborhood structures, ERRs and MAGs have provided a crucial pillar of Sudan's humanitarian response. They have demonstrated not only reach and speed but also cost-effectiveness and adaptability unmatched by traditional aid actors. In doing so, they have reinvigorated Sudan's civil society from a historically

suppressed sector into a vibrant, lifesaving force. What began as grassroots volunteerism has now scaled into a nationwide humanitarian architecture—proof that local vision, rooted in community solidarity, can deliver aid at scale and with extraordinary impact.

Beyond ERRs and MAGs, Sudan also hosts a wide range of L/NAs. Unlike ERRs and MAGs—most of which emerged in response to the current conflict—these organizations were largely established beforehand and are registered with Sudanese authorities. As more established actors, some L/NAs have engaged with the SHF directly or through INGO partners. Yet they, too, face major obstacles: the constraints of ongoing conflict and persistent barriers to accessing both direct and indirect funding.

The SHF's Pivotal Test on Localization

The SHF has the potential to play a key role in scaling financial support for all of these crucial Sudanese actors. But it also has room to increase the participation and leadership of Sudanese responders. As it currently stands, neither representatives from MAGs nor ERRs hold seats on the SHF Advisory Board. Sudanese organizations as a whole have also not been well represented on the Review Committees that recommend funding awards to the Humanitarian Coordinator (HC).⁴ Part of this is due to the absence of a functioning L/NA forum. This state of affairs is particularly notable given that several other Funds have deeply integrated local organizations across their governance structures. Without adequate representation across these critical bodies, Sudanese responders cannot effectively shape the spaces where strategies are put into practice and grants are approved.

The misalignment is troubling for at least two reasons. First, localization—especially shifting funding and decision-making power to L/NAs—is [widely recognized as essential to improving humanitarian action](#). Direct funding and leadership opportunities for local groups reduce reliance on costly international intermediaries, anchor responses in the knowledge of those closest to the crisis, and build the institutional resilience of local organizations. Crucially, direct funding usually provides [better overhead allowances and quality funding](#) that allow these actors to develop into sustainable institutions. In practice, this means that responses to famine and other crises can be strengthened through a managed transition to localized humanitarian action.

Second, the UN's own [CBPF Global Guidelines](#) (and the SHF's [adaptation of them](#)) affirm that, while the primary goal of pooled funds is to save lives, localization is the second most important aim. In fact, CBPFs are specifically directed to act as catalysts for “system change”—promoting localization, innovation, and accountability across the aid sector. The June 2025 IASC Principals' paper further reinforced this point, stressing the necessity of expanding CBPF access and funding for L/NAs, simplifying risk management, and giving L/NAs meaningful roles in strategy and decision-making if the [Humanitarian Reset](#) is to succeed.

Unfortunately, the Sudan Humanitarian Response Plan (HRP) mirrors the SHF's localization deficit. Of the \$1.3 billion contributed to Sudan's HRP in 2024, [only](#) \$3.3 million reached national or local NGOs and community-based organizations directly. Unsurprisingly, recent private surveys of local organizations seen by Refugees International reveal deep frustration—a perspective reinforced by Refugees International's bilateral and multilateral discussions with L/NAs in July and August 2025. Specifically, many report receiving only one-off grants, long delays, or sums too small to sustain their operations. As they operate on thin margins without reserves, local responders struggle to maintain programs once funding dries up.

⁴ While three Review Committees earlier this year achieved equal representation between L/NAs and INGOs, participation has since dropped: in the last two committee meetings since the writing of this report, only one L/NA representative attended, despite four having confirmed.

Recognizing Sudan's Unique Challenges

It is essential to recognize, however, that both the overall humanitarian response and the SHF have faced a set of context-specific constraints that have made localization in Sudan particularly challenging. These may slow the pace of localization, but should not prevent significant incremental scaling up of localized support, representation, and funding.

For more than three decades under dictatorship, Sudanese civil society was deliberately repressed and kept in the shadows, arguably only beginning to re-emerge during the 2018–2019 revolution. During the revolution, neighborhood resistance committees, many women-led, played a pivotal role and set the basis for many of the local mutual aid groups that would emerge as frontline humanitarian actors during the war.

But the long suppression engendered a fragile NGO sector with limited institutional capacity. While many Sudanese organizations quickly demonstrated their ability to meet urgent community needs, very few possessed the systems or resources necessary to comply with the highly complex requirements of international humanitarian financing.

The civil war that erupted in 2023 further eroded the position of Sudanese NGOs. Some experienced staff were forced to flee, offices were abandoned, and financial infrastructure collapsed. At the same time, the systematic co-optation of some national NGOs by authorities has undermined trust and created serious barriers to partnerships. Some Sudanese responders question whether registered national NGOs are truly independent and safe to work under.

Visibility has also become a liability. In Sudan's highly politicized and violent environment, the more prominent or well-funded a local organization becomes, the greater the risks it faces. This reality has also led many ERRs, MAGs, and other Sudanese actors to prefer working quietly through international intermediaries—or remaining “under the radar”—rather than applying for direct funding. Registration with the Humanitarian Aid Commission (HAC), which is overseen by the Sudanese Armed Forces (SAF), is mandatory for direct access to the SHF.⁵ Yet registration can expose local actors to surveillance, harassment, or co-optation. Many ERRs and other local mutual aid groups choose not to register with HAC, creating a formidable obstacle to direct funding as long as the UN continues to require such registrations for any direct funding.

⁵ Since the UN recognizes the Sudanese Armed Forces (SAF)–led government as the de facto authority, UN and international agencies are required to register with the Humanitarian Aid Commission—an institution under SAF control—in order to operate or receive funding in Sudan. While this registration is mandatory for direct access to the SHF, it can expose local actors to surveillance, harassment, or political co-optation by authorities and armed actors.

Despite these challenges, the SHF has the ability—and the responsibility—to take immediate steps to close existing gaps while preparing the ground for more ambitious scaling in the future. The roadmap that follows, informed by consultations with Sudanese responders, other humanitarian actors, and best practices from pooled funds worldwide, sets out how this can be achieved.

A Roadmap for Accelerating Localization at the SHF

Treat Localization as the Strategic Imperative It Is

There continues to be much debate about the role of localization within CBPFs—a debate that has arguably delayed power shifting at the SHF over the last few years. Yet the position of OCHA, the ERC, the IASC, and key donors has grown increasingly aligned. Nearly all stakeholders now acknowledge both the importance of shifting power to local actors and the limited progress made since commitments such as the [2016 Grand Bargain](#). [OCHA's 2023 Global Guidelines](#) affirm that while the primary goal of CBPFs is to meet humanitarian needs, “localization is recognized as a secondary aim.” At the same time, a [wide body of evidence](#) shows that localization is not merely secondary—it is a key driver of more efficient, sustainable, and accountable humanitarian action. For the SHF, this means that investing in localization is not only a strategic priority in its own right but also a direct contribution to the Fund’s primary mandate of saving lives.

Swiftly Develop, Implement, and Monitor an SHF Localization Strategy

The first and most urgent step for the SHF is to adopt a dedicated Localization Strategy. This is an effort that the SHF started in 2022, but which was disrupted by the outbreak of war in 2023.⁶ Many CBPFs have already paved the way—most notably the Ethiopia Humanitarian Fund, which recently published a [comprehensive localization strategy](#) grounded in six strategic focus areas. The SHF, in collaboration with the new Humanitarian Coordinator, can quickly build on these precedents rather than starting from scratch. The Fund should therefore commit to producing a Sudan-specific localization strategy within 60 days.

The process should begin with an accelerated listening tour led by the SHF and the HC and co-chaired by Sudanese responders themselves. Consultations must prioritize ERRs, MAGs, the LCC, Sudanese NGOs, and diaspora groups as the starting point for an expanded dialogue. Sudanese actors should not simply be consulted but placed at the center, shaping priorities and providing direct input on how technical elements of the Fund can be redesigned to overcome barriers and strengthen local leadership.

⁶ The SHF initiated a process to develop a localization policy in 2022, holding extensive discussions with INGOs and Sudanese NGOs and presenting a green paper to donors in early 2023, with the intention of producing a white paper for Advisory Board discussion later that year. This process was suspended following the outbreak of war in April 2023.

Topics for transparent review and dialogue should include, at a minimum:

- **Capacity Assessments:** Should simplified models, such as those employed at several CBPFs (e.g. Ukraine, Ethiopia), be adapted to ease entry for L/NAs?
- **Tiered Funding Levels:** Should smaller direct grant amounts—i.e., below the current \$500,000 typical grant level at the SHF—be created to better enable first-time L/NA applicants to access funds and build a track record? What SHF staffing requirements would be necessary to handle such a shift?
- **Scoring and Review Committees:** How can scoring criteria better reward consortia with strong Sudanese leadership and high rates of monetary pass-through to L/NAs, and how can Sudanese NGOs be robustly represented on review bodies?
- **Advisory Board (AB):** How can L/NA representation be deepened on the SHF Advisory Board? How can ERRs and MAGs best be represented on the AB?
- **Institutional Capacity Strengthening:** How can tailored capacity-investment modalities—such as secondments, peer mentorship, joint training, simplified compliance coaching, and institutional development grants—address the perceived L/NA capacity deficit when it comes to SHF requirements?
- **Risk-Sharing Mechanisms:** How can risk be further redistributed across donors, INGOs, and local partners in line with [recent global recommendations](#)?
- **Duty of Care:** In line with global humanitarian standards, how can the SHF further embed duty of care equitably into all partnerships and operational frameworks?
- **Outreach:** How can calls for proposals and technical guidance be better communicated to L/NAs? Could the SHF introduce further support like the small stipends offered to Sudanese Advisory Board members or microgrants to support L/NAs in preparing proposals and engaging meaningfully with the Fund?⁷

Three overarching priorities should guide this strategy:

1. A clear, ambitious, but responsible pathway to substantially increase direct and indirect funding to Sudanese responders.
2. Expansion of “quality funding”—including multi-year grants, higher Program Support Cost (PSC)/overhead coverage for local partners, and duty-of-care requirements.
3. Ensuring meaningful participation of Sudanese actors in governance and decision-making, from Advisory Board seats to review committees and allocation consultations.

⁷ The SHF has offered Sudanese Advisory Board members a \$1,500 stipend (communicated in both English and Arabic) to support their participation. While no member has yet taken up the offer, according to the SHF, this approach—providing modest financial support to enable engagement—could be valuable to expand, particularly for Review Committees where smaller organizations may face greater financial barriers to participation.

The strategy should also map out the transition from an internationally led SHF intervention to one increasingly guided by Sudanese leadership. INGOs will remain vital in this transition,⁸ not as permanent leads but eventually as auxiliaries that provide technical support and mentoring to local and national actors. Finally, this exercise should be tied to the SHF's Operational Manual, which must be reviewed annually. This annual review presents an immediate opportunity to reframe SHF processes.

Increase Indirect Funding Flows to L/NAs

Given the formidable barriers to rapidly expanding direct funding to Sudanese organizations—including registration requirements with HAC, compliance burdens, and protection risks—the SHF should prioritize a significant increase in indirect funding to L/NAs.

- **Establish Ambitious Targets.** As part of the localization strategy, the SHF should consult stakeholders and adopt a goal that in 2026 at least 50 percent of SHF resources flow to L/NAs, directly or indirectly. This would roughly double 2024 levels. Coupled with a MAG/ERR program scale-up (described below) it would be a step-change in Sudanese leadership.
- **Refine Scoring to Incentivize Pass-Through.** The SHF should strengthen scoring so proposals that channel more funds to L/NAs consistently rank higher. For example, one recent scoring sheet allocated up to 10 points for localization, with seven points awarded to proposals where 33 percent or more of the budget passed through to national partners. Raise this weighting and apply it uniformly to drive more equitable partnerships.
- **Explore Higher Overheads for L/NAs.** INGOs have diversified funding; Sudanese NGOs do not. The current cap of up to 7 percent PSC is often too low for L/NAs to cover institution building, duty of care, and basic sustainability. The SHF should explore ways to boost PSC for L/NAs to enhance indirect funding and strengthen their institutional backbone.
- **Build Consortia Around L/NAs.** Use area-based allocations to promote consortia where L/NAs manage a significant share of the budget. The SHF should position INGOs mainly as technical supporters. This mirrors good practice in other CBPFs where locals take lead or majority roles.

Strengthening indirect funding now creates a bridge to higher direct funding later. Hitting 50 percent pass-through in 2026 aligns Sudan with global best practice. It would also better resource the Sudanese responders who anchor the response.

⁸ INGOs are indispensable in Sudan's humanitarian response, particularly as intermediaries enabling support to reach unregistered, frontline actors like ERRs and MAGs, but also L/NAs in general. By absorbing some fiduciary risk, ensuring compliance with donor standards, and providing logistical and security cover, INGOs shield grassroots volunteers, networks and L/NAs from political scrutiny and retaliation while unlocking access to pooled funds.

Scale Up and Refine the SHF's Existing MAG/ERR Program

As a key component of the effort to boost indirect funding, the SHF should expand and refine its existing MAG/ERR program, which accounted for about eight percent of 2024 funding. The program has supported hundreds of ERRs and MAGs—including many women-led groups—powering community kitchens, cash and voucher aid, and local relief that reached millions. Reviews find these volunteer networks among Sudan's most efficient actors, often delivering aid at far lower cost than international NGOs. Like Ukraine's 2022 "small grants envelope," Sudan's model shows pooled funds can move quality resources quickly to frontline responders in active war zones. However, three key reforms should now be considered:

- **Expand the Scale of the Program:** The SHF, in consultation with Sudanese stakeholders during the localization strategy process, should explore increasing the share of SHF allocations dedicated to the MAG/ERR program to at least 25 percent in 2025 and ensuring that such allocations are made on a [multi-year basis](#) (something that the SHF allows for, unlike most other CBPFs). This would provide more predictable, multi-year, and higher-quality funding to ERRs and MAGs. If implemented, a second planned allocation to the MAG/ERR program in November (estimated at more than \$12 million) would move the SHF closer to the 25 percent target for 2025—but additional funding will very likely be required to reach it.
- **Reduce INGO Intermediary Costs:** In May 2025, a private SHF overview of the impending summer MAG/ERR allocation projected that up to 40 percent of the \$13 million would go to enabling and management costs, leaving 60 percent for direct aid (cash, vouchers, community services). A private, late-August review of the 2024 program, however, estimated that nearly 70 percent on average actually reached MAGs and ERRs. INGOs provide needed oversight and technical support, but their costs must be reduced further. The HC and SHF should lead a review with INGOs to design leaner intermediary models so more resources reach Sudanese partners and communities. One option is to set a minimum requirement that at least 80 percent of funds pass through to Sudanese partners next year, with higher targets in following years.⁹ Flexibility could be built in for INGOs that work with a larger number of L/NA sub-implementers or that respond to requests from MAGs and ERRs to invest in capacity strengthening.
- **Pilot L/NAs as Program Leads:** To strengthen local ownership, the SHF should pilot Sudanese NGOs as lead implementers for parts of the MAG/ERR program, since only registered organizations can receive direct funding from the SHF. Start with current Sudanese SHF partners, or pair a local/national actor with one of the six INGOs for mentoring and technical support. Risks remain. Some ERRs are wary of local leads over INGOs given protection concerns. A tightly designed pilot can test whether the model is safe and effective. If successful, it would lay the groundwork for a gradual, responsible transition to local leadership.

⁹ According to the SHF's late-August review of the 2024 program, one large INGO passed nearly 75 percent of its funds onwards to MAGs and ERRs.

Together, these reforms would scale one of the SHF’s most effective tools and cut inefficiencies. They would also build a pipeline for Sudanese NGOs to assume greater leadership. With ERRs and MAGs still the backbone of Sudan’s response, expanding and updating this program should be the centerpiece of the SHF’s localization strategy.

Build the Foundations for Increasing Direct Funding

The SHF and the Humanitarian Coordinator should steadily “bend the curve” on direct funding to L/NAs. Only five local NGOs received direct funding in 2024 (none as yet in 2025 [according to the CBPF dashboard](#)). Some of the nearly 25 onboarded L/NAs able to receive direct funding are no longer operational (16 received funding indirectly in 2024). Global calls to channel 70 percent of pooled funds to L/NAs are laudable. But Sudan’s context—serious protection risks, perceived capacity gaps, and urgent, large-scale relief needs—means that such a transition in Sudan must proceed emphatically but judiciously. Moving too fast could undermine the SHF’s core mission: delivering life-saving aid to those most in need. Instead, the SHF should pursue measured, practical steps articulated through a localization strategy:

- **Clarify the Objective, Not Rush to Metrics.** Rather than imposing direct funding percentage targets now, the SHF should explore whether setting such targets in early 2026—after systematic investments in L/NA capacity, onboarding, and systems adaptation—is more appropriate.
- **Revise Assessment & Scoring Tools.** The SHF should make its criteria more inclusive and contextualized for local and national actors (L/NAs). It should consider introducing scoring incentives for local applicants, as in Somalia, and awarding extra points for new L/NA applicants to diversify the partner pool. Finally, the SHF could adopt simplified assessment models—piloted in Ukraine, Ethiopia, and other funds—to ease entry.
- **Pilot Smaller Direct Grant Tiers.** The SHF should create smaller direct grant brackets below the usual \$500,000 floor. The goal is to let first-time L/NA applicants and already onboarded L/NAs build a direct funding track record. In 2024, the SHF awarded only five grants below \$500,000. The SHF can pair these grants with enhanced monitoring and conditional safeguards, as in Ukraine. This partnership model supports local actors while managing risk.
- **Scale-Up L/NA Pipeline Development.** Expand cooperation with the LCC, ERRs, MAGs, diaspora networks, private philanthropy (such as the [Coalition for Mutual Aid in Sudan](#)), and platforms like CCU-Sudan to identify and onboard viable local organizations. This is itself a distinct program requiring staff, training, and seed funding.
- **Invest in Institutional Capacity Strengthening, Not Just Training.** The SHF should launch a call focused on long-term institutional investment, not one-off workshops. The call should fund key staff—monitoring and evaluation, partnerships, and grants management—so local and national actors can serve as prime partners. The SHF has identified the lack of double-entry accounting as the biggest barrier for local

applicants. A dedicated, multi-year program to fix core systems would address that gap. In parallel, the SHF should add a funding line to support L/NA participation in coordination forums, both Cluster and Sudanese-led. This support would give local actors the access and practical knowledge needed to compete for direct grants.

By pursuing an engagement-heavy, capacity-focused expansion of direct funding, the SHF can set Sudan on a path toward genuine localization—where L/NAs move, over time, from subcontractors to partners, leaders, and prime grant managers.

Expand L/NA Participation, Decision-Making, and Leadership

The SHF should expand the participation and leadership of Sudanese local and national actors across SHF governance and allocations. Evidence from other pooled funds and recent IASC guidance shows that meaningful local representation makes allocations more relevant and accessible. Co-governance amplifies local voices and builds trust, transparency, and accountability.

Several pathways merit exploration. First, the SHF Advisory Board—now three INGO, three L/NA, three UN, and three donor representatives—could move toward an L/NA majority, as the [Somalia Humanitarian Fund](#) has done. This would give local responders a decisive role in setting allocation strategies. Second, the SHF should use the existing Observer provision to bring ERRs and MAGs into Board discussions. Observers could be nominated by the Localization Coordination Council or drawn from ERRs and MAGs already subcontracting with SHF partners.

Representation on Review Committees—where specific allocations are decided—is equally important. Most country-based pooled funds include several L/NAs. Ukraine’s area-based model shows the value of giving L/NAs a majority voice. At the SHF, participation has been thin: in the last two review committee meetings, although four national NGO representatives confirmed, only one ultimately participated. With no functioning L/NA forum, SHF should more aggressively recruit L/NAs to Review Committees—starting with Sudanese-led coalitions and networks—and aim for rotating local majorities over time.

Finally, the SHF should also deepen its engagement with coordination platforms such as the LCC and Shabaka’s Crisis Coordination Unit–Sudan. Formal information-sharing—e.g., sharing allocation plans and criteria in advance—would bring in community assessments and give grassroots networks influence. Targeted investments, such as training ERR volunteers in proposal writing and expanding digital coordination tools, would strengthen the ecosystem. Semi-annual “local partners forums,” co-convened with alliance and network representatives, would provide a structured space to review priorities, flag bottlenecks, and shape future strategies.

Increase Staffing and Management Resources to Enable Localization

To make localization real, the Sudan Humanitarian Fund needs more staff and resources. Allocations rose sharply—by about 125 percent from 2023 to 2024—yet staffing increased only modestly, from three international and eight national staff in 2023 to five international and 11 national in 2024. Comparable funds, such as Ukraine’s, handled similar volumes with up to 25 percent more staff. Yet global plans point to staff cuts. That is backward. A core reform is to give pooled funds more money and a larger role in localization; cutting staff undercuts that goal. It also does not create savings: unfilled staffing lines revert to the grant pool, not to other agencies, so the main effect is weaker grant management. Engaging smaller and newer Sudanese groups requires additional expertise, language skills, training and mentoring capacity, as well as stronger monitoring. Without expanding staff, doubling funding to local actors will not be sustainable. If donors and OCHA are serious about channeling more funds to Sudanese responders, they must first equip the SHF with the human and technical capacity to deliver.

Explore the Feasibility of Supporting Locally Led Pooled Funds

The SHF should commission a study—in close consultation with Sudanese responders, localization advocates, NGO-led pooled fund representatives, and Sudanese coordination bodies—to assess how locally led pooled funds could be supported. CBPFs are uniquely positioned to seed such initiatives: they already enjoy strong donor confidence, operate with proven fiduciary systems, and can disburse funds quickly at scale. Donors, including through the November 2024 Guidance on Humanitarian Pooled Funds, have explicitly encouraged investment in NGO-led pooled funds to diversify financing and empower local actors. Leveraging the SHF’s infrastructure would allow Sudanese organizations to assume greater leadership within a trusted framework, while maintaining robust accountability.

The study should examine lessons from other contexts—such as the Aid Fund for Syria, NEAR’s Change Fund, and the Start Fund—and map out models suited to Sudan’s complex environment. Key areas include fiduciary controls, governance, compliance, and phased approaches to Sudanese leadership, with INGOs potentially playing an auxiliary role at the outset. This process would provide the evidence base for whether—and how—the SHF could seed Sudanese-run pooled funds from within its own system. If findings are positive, the Humanitarian Coordinator and SHF could then consider a phased pilot, aligning with global localization commitments while grounding decisions in Sudan’s realities.

Conclusion

Power shifting at the Sudan Humanitarian Fund is necessary and feasible. As the crisis deepens, it is the most sustainable path. Local groups have access and trust, and the SHF should support and recognize them as much as possible. Reforms would boost funding to Sudanese actors and speed decisions, bringing faster aid and stronger resilience. This requires bold leadership and shared risk, including from international NGOs. The moment is right: donors and UN leaders want a reset, and a new Humanitarian Coordinator is arriving. If the SHF pairs localization with efficiency, it can deliver more impact and set a new standard.

Annex — Enumerated Recommendations

1. **Publish a Localization Strategy in 60 days.** Set clear objectives, targets, and timelines so localization is operational, not aspirational.
2. **Run a co-chaired listening tour.** Convene ERRs, MAGs, local coordination platforms, Sudanese L/NAs, and diaspora groups to co-design the strategy and technical fixes.
3. **Rebalance the Advisory Board.** Consider moving toward an L/NA majority vis-à-vis INGOs to align governance with localization goals.
4. **Seat ERRs/MAGs as Observers.** Use the CBPF “observer” provision to bring frontline voices into Board deliberations.
5. **Localize Review Committees.** Proactively recruit Sudanese humanitarian coordination coalitions and networks, L/NAs and ERRs/MAGs to serve on the review bodies that recommend awards.
6. **Scale the existing, INGO-led MAG/ERR support program to at least 25 percent of all SHF allocations by end-2025.** Make a portion multi-year to help build resilience and stop life-saving services from stalling.
7. **Expand pass-through to frontline groups.** Require that at least 80 percent of INGO-managed MAG/ERR funds reach ERRs/MAGs next year (with clear, monitored exceptions).
8. **Pilot Sudanese leads.** Ensure at least one L/NA acts as a lead intermediary for a MAG/ERR funding stream.
9. **Hit 50 percent of Funds flowing to L/NAs in 2026 (direct + indirect).** Make this a portfolio-wide target to drive budgeting, scoring, and partnership choices.
10. **Explore Target Setting for Direct Funding allocations in early 2026.**
11. **Grow the partner pipeline.** Work with Sudanese networks, alliances, diaspora, and private philanthropy to identify, vet, and onboard more L/NAs.
12. **Reward deep pass-through in scoring.** Heavily weight proposals that budget large shares for L/NAs and demonstrate equitable partnership terms.
13. **Raise PSC/overheads for L/NAs.** Increase allowable Program Support Costs for local partners to strengthen institutional resilience and duty of care.

- 14. Center L/NAs in consortia.** Prioritize designs where Sudanese organizations manage substantial budget shares, with INGOs as auxiliaries.
- 15. Create smaller direct-grant brackets.** Add tiers below the ~\$500k floor so first-time L/NAs can build a performance track record as direct grantees.
- 16. Fund institutional roles, not just training.** Offer multi-year support for core posts (MEAL, partnerships, grants) so L/NAs can function as direct/prime partners.
- 17. Add dedicated capacity.** Increase SHF staffing and budget lines necessary for ramping up localization and partner support.
- 18. Explore the Feasibility of Supporting Locally Led Pooled Funds.** An SHF study, in coordination with Sudanese actors, should examine lessons from other contexts in order to assess the feasibility of supporting locally led pooled funds.

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