Policy on Locally Led Development, Humanitarian Action and Partnerships

NORWEGIAN CHURCH AID
actalliance

COVER PHOTO: Community members in Cambimbe, Angola, take part in a participatory poverty assessment organised by NCA's partner, the Evangelical Congregational Church in Angola (IECA). The community identifies and prioritises its own needs, which the local church and IECA use to advocate for action and hold local government accountable.
PHOTO: Silje M. Ander/NCA

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Purpose

This policy sets out Norwegian Church Aid's (NCA) approach to locally led development and humanitarian action, particularly through its partnerships with local civil society actors. It provides the principles and framework for putting into practice NCA's commitment to supporting a strong civil society enabled to play its essential role in participatory democracy, accountable governance, social justice, and in meeting the needs of people and communities affected by crises.

The policy is founded on and inspired by NCA's identity as a faith-rooted and rights-based organisation, as reflected in the shared ecumenical commitment to cooperate "*to influence social processes that secure human rights and welfare for all*" and to "*acknowledge, value and uplift each other's gifts and resources*"[1], as well as its commitments as signatory to *Charter4Change*, the *ACT Alliance pledge on locally led humanitarian response*, and the *Core Humanitarian Standard (CHS)*.

Scope

The policy applies in all countries where NCA is present through an office led by NCA or a partnership with local or national civil society organisations, including faith actors. All offices and staff are accountable towards the local and national partners and the local communities NCA and its partners serve.

Approach

As a founding member of the ACT Alliance[2], NCA is part of a global network of churches and organisations, most of which are based in the Global South and rooted in the communities they serve. NCA engages in several national forums for ACT members and joins in regional and global advocacy efforts with diverse ACT members, bringing local concerns to international arenas.

SUPPORTING LOCAL LEADERSHIP AND A STRONG AND DIVERSE CIVIL SOCIETY

NCA recognises that local communities and local and national actors are the primary agents of change and the first responders in crises. Having worked in local partnerships for decades, NCA has a particular responsibility and position to champion locally led development and humanitarian action.

Local civil society actors and the communities they represent have the right to be in the lead and are best placed to legitimately address challenges that affect them. Their leadership, knowledge, legitimacy and relationships are essential to achieving sustainable development, effective humanitarian action, and social justice.

NCA therefore seeks to contribute to enabling environments where civil society - including faith actors, community organisations and social movements - can operate independently, safely, and effectively. NCA's primary role is to accompany, connect, resource, advocate for and amplify local and national actors' priorities and leadership. NCA will facilitate partners' access to donors, coordination platforms and other strategic arenas, enabling them to influence policy, resource distribution and decision-making in line with priorities and objectives of local communities and vulnerable populations.

ACTING RESPONSIBLY WITHIN AID ECOSYSTEMS

NCA recognises that aid is delivered through complex webs of actors, relationships, structures and traditions. In every context, these ecosystems may intersect or coexist in different ways. Although international actors play significant roles in some ecosystems, the vast majority of responses are managed by national authorities and local communities.

NCA acknowledges and respects the rich and diverse nature of these ecosystems, where local communities, rights-holders and affected populations are the central actors whose priorities, knowledge and agency should inform all humanitarian and development action.

NCA strives to enable ecosystems that support and connect a variety of formal and informal civil society actors, including those that represent the interests of marginalised groups, particularly those that are most strongly rooted in their communities and constituencies.

ENGAGING IN RESPECTFUL AND EQUITABLE PARTNERSHIPS

NCA recognises that significant power imbalances continue to exist within the global humanitarian and development aid systems. Addressing these imbalances requires deliberate shifts in decision-making, resource allocation, accountability and influence. NCA understands that equitable partnerships must be founded on the trust it builds with local actors. Gaining and maintaining trust requires respectful accompaniment, honest dialogue and mutual accountability. NCA therefore works systematically to shift power within its own partnerships with local and national actors and within the aid ecosystems it is a part of, at local, national and international levels.

NCA shall regularly monitor and measure how partners perceive their influence, participation and role in decision-making and equitable partnerships. This includes mandatory indicators and other appropriate methods to measure, document and assess both the scope and quality of NCA's efforts to advance locally led development and humanitarian action.

1 *Called to Transformation, Ecumenical Diakonia*, WCC/ACT 2022

2 The elected leadership of ACT is regionally balanced and deliberately shared between the Global North and the Global South. This ensures that priorities of members in the Global South are embedded in the global strategies of the Alliance.

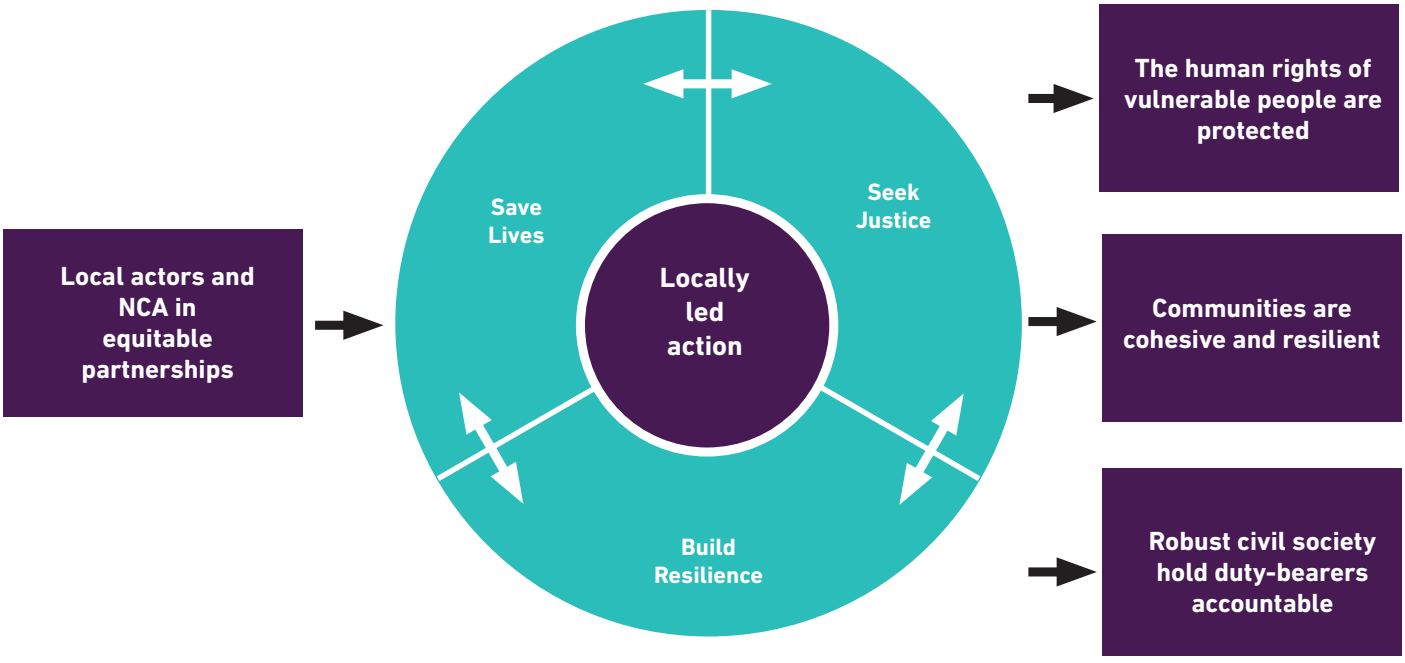
ADAPTING TO COMPLEX CONTEXTS

Government restrictions, administrative barriers, shrinking civic space, conflict dynamics and insecurity may constrain locally led action and affect the ability of local actors to exercise leadership safely and independently. In other high-risk contexts, international actors' access may be restrained, and local actors are often the best placed to reach and remain present in affected communities. This may expose them to heightened security, reputational, access, safeguarding and compliance risks.

To navigate such circumstances responsibly and avoid unintentional transfer of risks to its partners, NCA will apply regular context, stakeholder, conflict and risk analyses to identify access constraints, civic space restrictions, exclusion risks, local power dynamics and protection concerns. Where appropriate and safe, NCA will engage with government and diplomatic actors, in consultation with local partners and coordination platforms, to address barriers to principled and locally led action without increasing risks for local actors.

In certain contexts and circumstances NCA may be self-implementing in humanitarian action, especially when providing first-phase response. Such circumstances include sudden-onset emergencies, security or legal restrictions affecting partners, donor requirements, or situations involving significant protection and safeguarding concerns. When NCA acts as a direct implementor, it is committed to ensuring that its actions respond to local needs, in accordance with the CHS. NCA must always link its emergency assistance with relevant local actors and seek to enter formal local partnerships as early as possible.

NCA'S THEORY OF CHANGE



Principles

1. **Faith- and rights-based**: NCA's approach is grounded in its faith-rooted and rights-based foundation, identity and commitment to save lives, build resilience and seek justice.

2. **Gender Justice:** NCA is committed to challenging patriarchal, discriminatory or oppressive power structures, promoting gender equality and countering the backlash against women's rights. This includes deliberate support for and partnership with women's rights and women-led organisations and other civil society actors committed to gender justice.

3. **Strengthening Civil Society:** NCA contributes to a robust, active and influential civil society by investing in organisational sustainability, agency and capacity strengthening in ways that respond to partners' own priorities.

4. **Inclusion and self-representation:** NCA promotes the rights of marginalised groups to represent their own interests, priorities and lived experiences, by intentionally removing barriers to their equitable participation and leadership.

5. **Complementarity:** NCA's strategic and operational choices are guided by respect for existing local systems, actors and responses, and by a commitment to contribute its added value in ways that strengthen and complement, rather than substitute, local and national actors' agency, capacity, authority and structures.

6. **Equitable Partnerships:** NCA builds partnerships with local and national actors that are grounded in trust, respect and mutual accountability. These partnerships deliberately address imbalances in power, resources and influence through shared decision-making and fair allocation of responsibilities, risks and opportunities.

7. **Proportionality and Risk Sharing:** NCA will not place responsibilities or risks on partners without taking reasonable measures to ensure that the necessary resources, support, influence and capacities are available to manage them.

8. **Dignity and Visibility of Local Actors:** NCA promotes the role and dignity of local and national actors in public and donor-oriented communication, and supports them to represent themselves in dialogue, coordination and policy spaces wherever possible.

NCA in Equitable Partnerships

All NCA's partnerships with local actors shall be based on shared *values, respect, complementarity, transparency, trust and a mutually agreed purpose,* that reflects the aspirations, priorities and comparative advantages of both the partner and NCA.

Different local and national actors may follow **different partnership journeys** with NCA. NCA's preferred model is to engage in long-term partnerships for societal change through democratic participation, or humanitarian action, with predictable financial support and flexibility to adapt to changing environments. However, some partnerships may be shorter-term, with clear objectives that reflect acute needs, shared interests or specific opportunities.

Recognising that local actors differ in their structures, mandates, capacities and ambitions, as well as in the extent to which they are enabled or challenged within their context, *NCA commits to valuing legitimacy, community trust and local relevance alongside formal organisational systems, and to adapting support and requirements.*

Through **differentiated partnership categories** NCA enables collaboration with a diverse range of civil society actors. This allows NCA to use the partnership models best suited to the context and purpose, including support to social movements or delivering aid more directly through community-based organisations and groups.

The partnership categories are intended to:

- Support local leadership and agency
- Enable appropriate capacity sharing efforts
- Reduce unnecessary administrative barriers that may unintentionally exclude smaller, grassroots, women-led, youth-led, informal or community-rooted actors
- Ensure proportionate requirements for due diligence, safeguarding, financial management, monitoring and reporting
- Manage risk and accountability appropriately
- Allow partnerships to evolve over time

ENTERING PARTNERSHIPS

Informed by the context, civil society and aid ecosystems in each country where it operates, NCA aims to maintain a strategically balanced range of partners and types of partnership.

When there is a strategic fit between a potential new partner and NCA in terms of values, mission and objectives, NCA must assess the following criteria before entering into a partnership formalised through a Partnership MoU:

Rights-based: All partners must act with respect for human rights and dignity and preferably be committed to actively using a rights-based approach.

Humanitarian principles: Humanitarian partnerships and action must respect the principles of humanity, impartiality, neutrality and independence.

Legitimacy: Partners should be rooted in and representing rights-holders, local communities, populations, and constituencies.

Operational relevance: Presence and access; technical proficiency including local, indigenous, and traditional knowledge; community engagement and trust; and potential for innovation, scale, access and sustainability.

Connectedness: Links to the wider ecosystem of actors and structures, participation in networks and relations with local authorities.

Partner assessment: Due diligence and capacity mapping proportionate to the purpose, partner type, size, context, and risk exposure.

Context-specific priorities

In line with its identity, values, mandate and commitments, NCA particularly seeks to partner with local and national actors that are:

Faith-based: including ACT members and other faith actors.[3]

Women-led: women-led organisations. [3]

Self-representing marginalised groups: Organisations and networks formed, driven and led by youth, people with disabilities or other marginalised groups.

Each country office must ensure sufficient capacity to provide relevant and adequate follow-up and support to all its partners and projects.

3 See definitions in Annex 1.

Pauline Bonkoungou from NCA's partner SOS Jeunesse et Défis in Burkina Faso provides recommendations to NCA's Policy on Locally Led Development, Humanitarian Action and Partnerships during a regional partner meeting. **PHOTO:** Anette Torjusen/NCA

PARTNERS' INFLUENCE AND DECISION-MAKING

To ensure local needs and priorities influence NCA's strategic decisions and operations at global and country level, NCA shall:

At strategic level:

- Facilitate partner participation in relevant strategic processes within NCA.
- Establish mechanisms for partners to provide feedback and influence NCA's programmatic priorities and decisions.
- Actively support and promote local leadership in humanitarian coordination, prioritisation, response design, and all aspects of the Humanitarian Programme Cycle.

At operational level:

- Ensure early and meaningful partner engagement in programme planning, project design and development, including the co-creation of funding proposals.
- Conduct joint implementation, monitoring and learning, ensuring that partners are involved in adapting activities and decisions throughout the project cycle.
- Define decision-making roles and responsibilities within the Partnership MoU.
- Through its partners, facilitate meaningful opportunities for affected communities and rights-holders to shape programme priorities, implementation and accountability mechanisms through active participation and involvement.

DIVISION OF ROLES

NCA acknowledge and depend on the assets and resources each local actor brings to the partnership. The division of roles between the partner and NCA shall be guided by the jointly agreed purpose and objectives of the partnership, as well as by the complementary capacities, assets and and the most appropriate contribution each can make in a given context. The following table illustrates **examples of complementary roles** that may be agreed within a partnership.

Partnership function	Possible roles of local partners	Possible roles of NCA	Possible areas of shared responsibility
Strategic direction and contextual grounding	Define priorities based on lived experience, contextual knowledge, legitimacy and relationships with communities and duty-bearers.	Support joint analysis, help connect local priorities to wider strategies, donor frameworks and policy spaces.	Jointly identify community needs and priorities, analyse context and agree the strategic focus of the partnership.
Programme quality and technical contribution	Provide technical expertise, local knowledge, contextualisation of best practice and innovation, community insight and operational experience.	Contribute complementary technical expertise, capacity strengthening, accompaniment, quality assurance and access to learning spaces, connect to international best practice and innovation.	Collaboratively design programmes, projects and proposals, agree quality standards and draw on each other's technical and contextual expertise.
Community engagement and accountability	Mobilise communities, facilitate participation, represent or accompany rights-holders, ensure contextually appropriate feedback and accountability mechanisms.	Support with systems and tools for feedback, accountability, safeguarding, inclusion and learning.	Agree approaches for community participation, feedback, safeguarding and accountability, and jointly review how these mechanisms are working.
Advocacy and influence	Lead local and national advocacy, enable rights-holders to represent their priorities and amplify their demands, engage local and national decisionmakers, bring contextual analyses, legitimacy and moral authority.	Amplify local and national actors' priorities, advocate towards Norwegian and international decisionmakers, facilitate access to policy spaces, strengthen alliances across groups, support protection of civic space, link local issues with global policy asks.	Jointly agree advocacy priorities, objectives, risk considerations and roles, coordinate engagement across local, national and international spaces.
Access, presence and operational arrangements	Provide local presence, relationships, contextual understanding, infrastructure and access where appropriate.	Enable operations through funding, compliance support, risk sharing, coordination and security risk management support.	Conduct shared risk analysis, agree mitigation measures, jointly review operational arrangements, security considerations and access constraints.
Institutional strengthening	Identify organisational development priorities, existing strengths and areas for improvement, as relevant.	Provide technical advice, tools, mentoring and access to relevant expertise or peer learning to support partner-led organisational development.	Co-design and implement organisational development and capacity strengthening plans, agree milestones and regularly assess progress and learning together.
Resource mobilisation	Identify funding needs, income opportunities and sustainability priorities, engage in donor relations.	Support partner-led resource mobilisation by sharing donor intelligence, advise on funding strategies and proposal development, strengthen partners' capacity to comply with donor requirements, facilitate partners' direct engagement with donors.	Jointly plan funding strategies, develop joint, partner-led funding proposals where appropriate, agree budgets, targets and priorities.

CAPACITY SHARING AND STRENGTHENING
NCA takes an appreciative and strengths-based approach to partnerships. This helps NCA and its partners develop a shared understanding of each other's strengths and areas for development so that partnership decisions, support, capacity sharing and learning are grounded in mutual respect and complementarity.

To this end, NCA and its partners shall jointly:

- Identify and recognise each other's **existing knowledge, assets and capacities**, and agree on how these can best contribute to the purpose of the partnership through complementary roles.
- Systematically identify partners' organisational, technical and administrative strengths and gaps, through the **Partner Assessment Framework**.
- Where capacity gaps are identified and support to address them is part of the partnership, define **priorities and follow-up actions through a capacity strengthening plan** that supports the partners' long-term organisational development, donor compliance, programme quality and/or operational expertise.
- Identify opportunities for **mutual learning**, including how NCA can learn from the partner's knowledge, experience and ways of working

Capacity sharing and mutual learning may take place both within individual partnerships, through peer learning and exchange among NCA's partners and with other relevant actors.

PARTNER ASSESSMENT FRAMEWORK AND PASSPORTING:
For NCA partner assessment consists of due diligence and capacity mapping. The Partner Assessment Framework supports responsible stewardship, accountability, quality, transparency and risk management. It is also a basis for dialogue, targeted accompaniment, mutual learning and capacity strengthening, contributing to both compliance assurance and partners' organisational development. NCA's partner assessment approach shall be proportionate to partner type, size, context and risk exposure.

Due diligence is a continuous, risk-based and proportionate process to assess whether partners meet minimum standards related to safeguarding, ethical and humanitarian principles, and, where relevant, legal and donor compliance, governance and financial management. Due diligence must assess both organisational policies and actual practice and seek to understand not only systems and compliance arrangements, but also leadership, legitimacy, accountability to communities and organisational strengths.

Capacity mapping and strengthening is a joint ongoing process that must respond to the partner's own priorities and ambitions to fulfil their role as civil society actors. It should be well coordinated within the national ACT Forum or with other international NGOs or national civil society organisations in the country that are relevant to the local partner.

NCA's due diligence approach is harmonised and aligned with the ACT Alliance Due Diligence Tool, the Core Humanitarian Standard (CHS), Charter4Change and relevant donor requirements.

NCA supports **due diligence passporting** to reduce duplication, partner assessment fatigue and administrative burden, and will promote mutual recognition initiatives among ACT Alliance members, donors and peer organisations.

Passported assessments may inform NCA's due diligence processes but do not replace NCA's responsibility for its own partnership decisions, risk assessments and follow-up actions. NCA may accept or share assessments that are recent, relevant and based on recognised frameworks, subject to appropriate consent, verification of scope, quality and relevance, and applicable confidentiality and data protection requirements.

RISK SHARING AND MANAGEMENT
Risk management is a shared responsibility of NCA and its partners. Joint risk management aims to ensure that risks are understood across donors, NCA and partners, strengthens partner roles and capacities, and helps prevent the unintended transfer or concentration of risk and compliance burden on partners or affected communities.

NCA and its partners must jointly identify and assess risks related to partnerships and programme activities, agree how these risks will be managed and monitored, and allocate responsibilities according to each party's role, decision-making authority, capacity and resources.

Such risks may include, but are not limited to:

- Safety and security risks
- Safeguarding risks, including Sexual Exploitation Abuse and Harassment (SEAH)
- Programme quality and accountability risks
- Legal and compliance risks
- Financial and fiduciary risks
- Information and data protection risks
- Reputational risks

Risk management shall inform decisions to proceed, adapt, scale, or pause activities. NCA remains accountable for compliance with applicable legal, regulatory, donor and policy requirements, while partners are responsible for managing risks within their

agreed roles, authority, resources and contractual commitments. The perspectives and contextual knowledge of local and national actors shall be central to risk analysis and decision-making.

NCA recognises that, especially in humanitarian settings and context with severely restricted civic space, local and national actors often carry disproportionate security, access, operational, reputational and compliance burdens. These burdens shall be made explicit and inform the joint risk management and related resource allocation, to avoid risks being unfairly concentrated on the partner.

Mitigation measures shall be proportionate to the level of risk, the operating context and each party's decision-making authority. NCA and the partner shall agree how the resources and support required to implement these measures will be provided, taking account of available funding and applicable donor requirements

LOCALLY LED RESOURCE MANAGEMENT AND MOBILISATION

NCA recognises that shifting power in humanitarian and development aid requires more than transferring funds to local and national actors. It also requires increasing their *influence over how resources are mobilised, prioritised, allocated, managed and accounted for*.

NCA shall therefore:

- Maintain a high level of **funding transferred to local partners,** while systematically working to increase this share and ensuring full transparency in the use of funds.
- **Support partners to become eligible to access direct funding** from institutional donors and other relevant financing mechanisms, increasing their opportunities to claim full recovery of costs, including overhead costs. To this end, NCA will provide tailored capacity strengthening, support due diligence passporting mechanisms and facilitate direct engagement with donors.
- **Facilitate predictable and flexible funding arrangements,** by offering multi-year project agreements and securing contributions to indirect cost coverage.
- **Advocate for donors** to cover a greater share of local partners' indirect costs, including when the grant is held by an INGO.
- Support and promote the **leadership of national actors in joint fundraising efforts**, including through partner-led consortia and the co-creation of funding proposals, as well as other innovative, locally led fundraising initiatives and financing models.
- Provide capacity strengthening initiatives for selected partners to **enhance in-country resource mobilisation** among their own constituencies and other local stakeholders, and diversify their funding sources.

CONTINUING, TRANSITIONING OR ENDING PARTNERSHIPS

NCA shall practice partnerships in ways that reduce local actors' dependency on international intermediaries. This includes careful considerations of both the length and the nature of each partnership.

The partnership journey defined in the Partnership MoU provides the basis for deciding whether a partnership will continue, end, or transition into a new form. Through regular joint reviews of agreed milestones, NCA and its partners will make responsible and mutually accountable decisions about the future of the partnership.

For longer-term partnerships the decision may be to continue collaboration on a new project or transition to a non-financial partnership focused on maintaining relationships, strategic dialogue, joint learning and/or advocacy activities. This is particularly relevant for faith actors like national church councils or other faith-based structures.

For shorter-term, project-based partnerships, the collaboration may end when the agreed project period and funding come to an end.

Changes in the strategies of either NCA or the partner, shifts in donor funding priorities, or a decision to end NCA's presence in the country, can lead to the closure of long-term partnerships.

When closing a country programme, NCA must consult other international ACT Alliance members present in the country to explore opportunities for continued support to the local actors NCA has partnered with.

When a partnership comes to an end, preferably by mutual agreement between the parties, NCA shall ensure a responsible exit that strengthens rather than undermines the local partner's ability to operate as a self-sufficient actor.

This includes:

1. *Dialogue about the reasons for ending the partnership and possible measures to reduce any negative consequences.*
2. *Agreement on a minimum phase-out period.*
3. *Development of a phase-out strategy outlining measures that NCA may take to mitigate negative consequences, such as targeted organisational strengthening, facilitating links to other INGOs or identifying new funding opportunities.*

In certain situations, NCA may need to end a partnership or a project contract on short notice. Reasons for this include sudden loss of donor funding, fraud, abuse of power, or other serious breaches of contract and the Code of Conduct. In such cases, NCA will take appropriate follow-up measures, including recovery of funds or legal action.

Annex 1

Definitions[4]

Agency: the ability of individuals, communities and organisations to make meaningful choices, influence decisions and act independently in pursuit of their priorities and objectives.

Aid Ecosystems: The multitude of actors and stakeholders, relationships, resources, and enabling conditions that together shape how civil society, development processes and humanitarian action function in a given context. Actors include a diverse range of national, local, grassroots, regional, and international organisations, donors, governments, faith actors, private sector actors, civil society networks, and community members.

Capacity: The knowledge, skills, systems, relationships, legitimacy, leadership, resources and organisational attributes that enable individuals and organisations to fulfil their mandates and achieve their objectives.

Civic Space: The physical, virtual, legal, and policy environment where people can safely exercise basic rights. This includes freedom of expression, peaceful assembly, and association.

Civil Society: Organised groups operating outside government and the private for-profit sector that pursue public, social, humanitarian, development, environmental, human rights, cultural, religious, or advocacy objectives. This includes membership organisations, representative bodies, social movements, faith-based organisations, and grassroots groups.

Civil society organization (CSO)/Non-Governmental organization (NGO): Any non-state, non-profit organisation operating at local, national or international level. This includes NGOs, community-based organisations, faith-based organisations, trade unions, cooperatives, foundations, social movements, networks and umbrella organisations.

Community-based organisations (CBOs): Formal or informal non-profit groups that are rooted in, governed by, and accountable to a specific local community, and whose primary purpose is to advance the interests, wellbeing, rights, or resilience of that community.

Community groups: Formal and informal groups of people that normally represent the same local community and meet regularly for a common purpose. Examples include local committees established to represent their communities in different projects and interventions, like water and peace committees.

Complementarity: Organising partnerships and collaboration so that local actors lead, while others contribute their added value in ways that strengthen, rather than substitute, the capacity, authority, and systems of those closest to affected communities.

Equitable Partnerships: Partnerships that recognise differences in resources, influence and institutional power and seek to address these through shared decision-making, transparency, mutual accountability and fair allocation of resources, risks and opportunities.

Due Diligence: A continuous, risk-based and proportionate process used to understand and assess a partner organisation's capacity, systems, practices and risks in order to support responsible partnership decisions, accountability, risk management and organisational strengthening. Due diligence considers both documented policies and demonstrated practice and seeks to ensure that minimum standards related to safeguarding, governance, financial management, ethical and humanitarian principles, and compliance requirements are met.

Due Diligence Passporting: The acceptance, recognition and/or sharing of due diligence assessments between organisations to reduce duplication, assessment fatigue and administrative burden on partners. Passporting enables organisations to rely on credible existing assessments, while retaining responsibility for their own partnership decisions, risk assessment and compliance requirements. Passporting is based on principles of transparency, consent, trust and mutual accountability. It is subject to NCA's review and approval of the assessment framework, methodology, quality, scope and relevance.

Faith actor: Individual, group, institution, organisation, network, or community that is motivated by, represents, or operates within a faith or religious tradition. Includes religious leaders, churches, mosques, temples, faith communities, faith networks and faith-based actors (see below).

Faith-based actor: Organisations, institutions, networks, movements, community groups, and leaders whose identity, values, or activities are informed by faith or religious beliefs and who contribute to humanitarian, development, peacebuilding, advocacy, or social justice efforts within their communities and societies.

Faith-based approach: The ways faith, faith actors, faith literacy, and religious dynamics are integrated into programme implementation, advocacy, peacebuilding, humanitarian response, or community engagement with the aim of defending human dignity from a rights-based perspective. NCA does not seek to promote any particular religion or faith..

4 Definitions related to civil society are aligned with OECD DAC definitions.

Faith-rooted: Refers to NCA's identity, history, values, and institutional foundation. It acknowledges that NCA is an ecumenical diakonal organisation mandated by churches and Christian organisations in Norway to manifest God's love in the world by upholding human dignity and protecting the integrity of Creation. This heritage and the connection to the global ecumenical movement continues to shape NCA's vision, values, motivation, governance, and relationships. NCA works with people and organisations of different faiths and beliefs, as well as those with no religious affiliation.

Indirect Costs: Also known as overhead costs, these are costs that are necessary for an organisation to operate and manage projects but cannot be directly attributed to a specific project or activity. They may be funded from various income sources. Depending on the donor agreement, donor-funded indirect cost contributions (ICC) may cover a portion of these costs. ICC is usually calculated as a percentage of eligible direct costs.

Informal civil society actor: Community-led networks and movements that pursue collective social, humanitarian, development, advocacy or public-interest objectives but lack formal legal registration or institutional status. E.g. social movements, human rights defenders, self-help groups, volunteer networks, indigenous community structures and traditional governance mechanisms where not formally registered.

Localisation: A process of transforming aid relationships, systems and institutions to increase the leadership, influence and agency of local and national actors through more equitable distribution of power, decision-making and resources and enable more locally led responses in development and humanitarian aid. The concept emerged during the World Humanitarian Summit in 2016.

Due to the sometimes-limited interpretation of what 'localisation' entails within the international humanitarian system, NCA prefers to use the term *locally led development and humanitarian action in this policy.*

Locally led development and humanitarian action: Local and national actors, together with the communities they represent, exercise meaningful leadership over priorities, decision-making, resource allocation and accountability. International actors support, resource, accompany and enable locally defined agendas rather than direct them.

Local and national actors: Applying a broad, ecosystem-based logic, NCA includes the following actors in this term:

- NGOs/Civil Society Organisations (CSO) with headquarters in the country of implementation. Can not be affiliated to an international NGO, unless they are separate legal entities with an independent board.
- Community-based organisations (CBO) – registered or non-registered (informal).
- Faith actors: Local and national faith actors of any religion
- Social movements and informal civil society actors
- Government actors: Local and national public authorities
- Private sector actors: Selected actors at local and national level, such as farmer-led cooperatives, small, medium or social enterprises, as well as companies and financial institutions that contribute to functional and inclusive value chains.

Partner: A local, national or regional actor with whom NCA has established a collaborative relationship based on a shared purpose, mutual accountability and complementary contributions. All NCA's partners must sign a Partnership MoU, but not all partners have a Project agreement. *Does not include institutional donors, INGOs or other international actors.*

Partner Assessment: NCA's framework to assess potential and existing partners' organisational strengths and gaps. Used for due diligence, informs choice of appropriate partnership category and targeted capacity strengthening efforts.

Partnership: Collaborative relationship based on a shared purpose and objectives, formalised through a *Partnership MoU*. The collaboration may be long-term or short-term, financial or non-financial, according to the purpose and objectives of the partnership.

Partnership Category: A classification that helps NCA determine the appropriate level of requirements and capacity strengthening support for each partner.

Partnership Memorandum of Understanding (MoU): Outlines the jointly defined purpose and intentions of a partnership and which of NCA's partnership categories applies for the partner, based on the Partner Assessment. Defines mutual expectations, complementary roles, decision-making authority, mechanisms for resolving disagreements, expected time frame and accountability arrangements, reflecting the complementary contributions of the partner and NCA. *Must not be confused with a Teaming Agreement which outlines the joint intent of organisations to collaborate on a specific funding opportunity.*

Power: The ability to influence decisions, define priorities, access and control resources, shape narratives and determine accountability. Power can be held formally through institutions and resources or informally through knowledge, legitimacy, relationships and influence.

Project agreement: Contractual agreement between NCA and a local and national actors that governs the funds assigned to a partner-led project. Reflects the requirements from the donor of the grant funding the project as well as the relevant partnership category. *Does not include NCA's contracts or agreements with donors.*

Rights-based approach: The right to access humanitarian assistance and protection is enshrined in international law and includes respect for fundamental human rights.

The Human Rights-Based Approach (RBA) is a framework for development and humanitarian action that places human rights at the center of all efforts. It aims to empower people to claim their rights and strengthen the capacity of duty-bearers, particularly governments and institutions, to respect, protect, and fulfill those rights. RBA is guided by the principles of participation, accountability, non-discrimination, transparency, human dignity, empowerment, and the rule of law.

Risk sharing: An agreed partnership approach through which NCA and its partners jointly assess risks and determine how risk-management responsibilities, decision-making authority, mitigation measures, resources and, where appropriate, specified consequences are allocated.

Risk transfer: The allocation of specified financial or other risk consequences to another party through an agreed contractual, insurance or other lawful arrangement. Risk transfer does not remove NCA's accountability for its own legal, regulatory, donor or policy obligations.

Women-led Organisations (WLO): An organization with a humanitarian, development or women's rights mandate and/or mission that is (1) governed or directed by women; or 2) whose leadership is principally made up of women, demonstrated by 50 per cent or more occupying senior leadership positions.

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Approver: Secretary General
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FAITH IN ACTION

Together with local partners Norwegian Church Aid (NCA) works to save lives, build resilience and seek justice.

NCA is a member of the ACT Alliance, one of the world's largest humanitarian coalitions, turning faith-rooted local presence into collective global action for justice. Our support is provided unconditionally, based on the equal and inherent dignity and rights of every person.

NCA works systematically to shift power to local actors within our partnerships and within the wider aid ecosystems we are part of.

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NORWEGIAN CHURCH AID
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