

# THE SAHEL REGIONAL FUND

A LEVER FOR HUMANITARIAN
RESET IN THE SAHEL



















#### **EXECUTIVE SUMMARY**

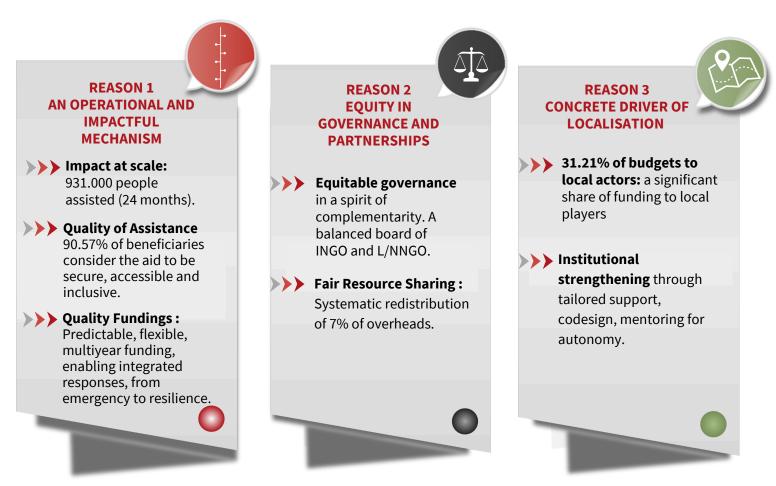
## A TURNING POINT: SEIZING THE OPPORTUNITY OF THE HUMANITARIAN RESET

On 17 June, the Inter-Agency Standing Committee (IASC) adopted a roadmap for an ambitious Humanitarian Reset, aiming at radically rethinking humanitarian action. This plan encourages a radical transformation: "responses that are locally driven but globally supported", focused on real needs, driven by humanitarian principles and the centrality of protection, while placing decentralised pooled funding mechanisms at the heart of the reform as the funding modality to be prioritised, starting with the United Nations' CBPFs.

# THE SRF: A PROVEN MODEL OF NGO LED POOLED FUNDING IN THE SAHEL

The Sahel Regional Fund (SRF) is a regional, NGO-led pooled fund hosted by the Danish Refugee Council and co-managed by INGOs and L/NNGOs. Built on Grand Bargain commitments, it already embodies the Reset's core principles: **local roots, responsiveness, transparency, collective efficiency, and real transfer of power and resources.** 

#### WHY SUPPORT THE SRF?



The SRF offers a proven model rooted in shared governance and strong local ownership complementing the UN pooled funds. Scaling it up would diversify funding options and help shape the future humanitarian architecture promoted by the Humanitarian Reset.

A new model, the Sahel Regional Fund, a regional pooled fund led by NGOs, exemplifies the very principles promoted by the Reset: innovation, credibility, performance, transparency, flexibility, and strong community engagement. From its inception in 2022, the SRF was designed to reflect the Grand Bargain commitments, combining local leadership with effective delivery through joint governance focused on quality outcomes for affected populations, while supporting the growth of local actors.

Mechanisms such as the SRF are of particular interest for operationalising the ambitions of the Humanitarian Reset. Their consolidation could contribute to a sustainable transformation of the humanitarian system, by supporting diversified, locally anchored funding methods geared towards the impact on communities.

# THE SRF: A HIGH-PERFORMANCE OPERATIONAL MECHANISM, DELIVERING PROVEN EFFECTIVE ASSISTANCE FOR THE BENEFIT OF AFFECTED COMMUNITIES

The SRF is fully in line with the objectives of the Humanitarian Reset: it embodies an agile, transparent mechanism capable of intervening rapidly and delivering high-quality aid precisely where it is needed. It demonstrates that a pooled fund supported by NGOs can mobilise funds on a large scale, respond effectively to crises and offer responsible assistance that is perfectly adapted to the needs of communities.



#### MOBILISING SUBSTANCIAL FUNDS FOR TANGIBLE LARGE SCALE RESULTS

Real, large-scale effectiveness: After 24 months of implementation, and with an initial budget of £34m, the SRF had directly supported 931,000 people, through targeted multi-sectoral support, mainly in the hardest-to-reach areas of the Sahel and the Lake Chad Basin. By December 2027, building on the expansion of the SRF projects budget to £61.9m, the Fund aims to deliver assistance to a total of approximately 2 million people.

931,000 direct beneficiaries already reached

The SRF aims to reach 2 million people by 2027.





**Significant capacity to pool and absorb funds:** By June 2025, the SRF had mobilised £76m, of which £61.9m had been invested across 19 contracts.

£76m mobilized in 2 years.

**Investment in regular humanitarian responses to protracted crises** via regular multi-annual, multi-country appeals, focused on expected, predictable and recurring humanitarian needs in the Sahel.

Combined with proven responsiveness to new crises via specific emergency funding windows (e.g. East Chad 2023 and again being mobilised for 2025).



#### HIGH-QUALITY FUNDING FOR NGO PARTNERS, ENSURING THAT BENEFICIARIES RECEIVE EFFECTIVE AND MEANINGFUL AID.

A needs-based approach: SRF allocation decisions are based on needs directly expressed by communities and validated through rigorous multi-sectoral diagnostics in line with the priorities of country humanitarian plans. Thanks to reliable data and local validation, the interventions are relevant, targeted and anchored in the catchment areas, ensuring effective and legitimate responses based on the real priorities of the populations.

90,57% of
beneficiaries
consider the SRF
aid to be secured,
accessible and
inclusive.

Flexible funding to encourage integrated responses that move from emergency to resilience, with the aim of empowering beneficiaries: resources are allocated as far as possible on a multi-year, flexible and predictable basis, with rigorous monitoring and constant financial transparency.

And to meet the needs of beneficiaries: 90,57% of beneficiaries consider the aid to be secure, accessible and inclusive, with particular attention paid to women, girls and people living with disabilities.



#### AN EFFICIENT MODEL: LARGE-SCALE, HIGH-QUALITY SUPPORT AT A REASONABLE COST

An efficient mechanism: With 931,000 direct beneficiaries reached through high-quality, multi-sectoral assistance, the SRF achieved impact at an average cost of £36.5

£36.5 per beneficiary, an efficient ratio given the context. per person – a remarkably efficient ratio considering the scale of operations, the quality delivered, and the complexity of hard-to-reach contexts.



An operating cost of just 12% (including administrative costs) places the SRF in the middle range of pooled funds, while the fund offers high-quality support tailored to the specific needs of its partners and the contexts in which it operates.

A tightly knit mecanism, structured for proximity: The fund management unit (FMU) ensures the strategic and operational management of the fund from Dakar. Dedicated country teams in Burkina Faso and Chad (at this stage) provide day-to-day support to national and local partners, both in terms of projects and organisational strengthening.

Only 12% of operating cost.

Rigorous monitoring adapted to the realities on the ground: All projects are closely monitored, either by the technical team or, where access is restricted, via a third-party monitoring system from September 2025, guaranteeing contextualised, transparent and results-oriented support.

## SHARED GOVERNANCE AND STRUCTURING PARTNERSHIPS FOR EFFECTIVE LOCALISATION IN THE SAHEL



#### COMPLEMENTARITY BETWEEN INGOS AND NNGOS IN SHARED AND EQUITABLE GOVERNANCE

The SRF illustrates a strategic, equitable and complementary partnership, aligned with the Core Humanitarian Standard, the Grand Bargain and in line with the objectives of the Humanitarian Reset. Within this mechanism, international and local/national NGOs work together as equals, making the most of their respective expertise, far beyond the simple contractual relationship of project implementation.

Joint strategic governance of the fund for inclusive decision-making: The Board of Directors, with equal representation from international NGOs, local/national NGOs and donors, guarantees inclusive governance and collective decision-making. This structure is reinforced by an external evaluation committee and a permanent complaints

Board of Directors with balanced representation of INGOs, L/NNGOs, and donors.

management mechanism, ensuring exemplary transparency: the SRF is accountable not only to the donors, but above all to the communities we serve, in a spirit of shared responsibility and active trust.

A model based on complementarity and co-design of projects: L/NNGOs are involved from the design stage of projects, integrated into governance and implementation, which encourages genuine capacity sharing and recognises their expertise.

Within mixed consortia in which equitable partnerships are promoted, on an organisational, operational and financial level, the SRF combines the shared technical expertise and large-scale intervention capacities of international NGOs with the rapid reaction capacity and local roots of local/national NGOs, guaranteeing effective, adapted and well-contextualised interventions.



Structural and equitable support for national and local NGOs through both direct and indirect funding: The SRF provides direct funding windows dedicated to L/NNGOs, and within international consortia since 2025 the SRF ensures that at least 25% of project funds are channelled to local partners. In both modalities. 7% the structure costs are systematically redistributed and complemented by training, mentoring and operational tools, guaranteeing sustainable institutional strengthening.

The 7% of structure cost systematically redistributed to local actors.

#### SRF MAKES LOCALISATION CONCRETE AND OPERATIONAL

By combining progressive financing and structured support, the SRF transforms localisation into a concrete lever for autonomy, quality and performance for local players.

Flexible funding to adapt to the realities of NGOs: The SRF offers two funding streams, via INGO-led consortia (international window) or via a direct funding window, allowing each L/NNGO to apply according to its preferences and capacities.

£6.2m
dedicated
direct funding
windows for
L/NNGOs.

25% of <u>international</u> project funds channelled to local partners.

- Under the international window, since 2023, out of the £55.9m invested, L/NNGOs received £13.2m, i.e. 23.7% of the funds. From 2025, this share has been set at a mandatory minimum of 25%.
- Since 2023, the localization windows have received £6.2m in direct support for seven local/national NGOs.

Overall, in 24 months of operation, a total of £19.3m, or 31.21% of the funds invested by the SRF, has supported national and local NGOs.

**Personalised capacity-building support:** Much more than a financial partner, the SRF supports national and local NGOs through co-design of projects, training and operational mentoring (programmatic aspects, compliance, monitoring and evaluation, institutional management), in order to consolidate their long-term autonomy.

Across all funding windows, 31.2% of SRF funds are directed to L/NNGOs.



