MLHCP
Mozambique Local Humanitarian Coordination Platform

Advocacy Note

Funding to Local and National NGOs and Due Diligence

Mozambique Local Humanitarian Coordination Platform (MLHCP)

October 2026

1. Introduction

Increasing access to humanitarian funding for local actors is not the only priority to make humanitarian responses more locally led, but it is certainly a very important one. Despite the Grand Bargain commitment more than ten years ago to ensure 25 per cent of humanitarian funding is provided as directly as possible to local actors, the humanitarian system is still a long way off reaching this target. Advocating for, and helping facilitate, greater funding to its members is, therefore, one of the five strategic objectives of the Mozambique Local Humanitarian Coordination Platform (MLHCP).

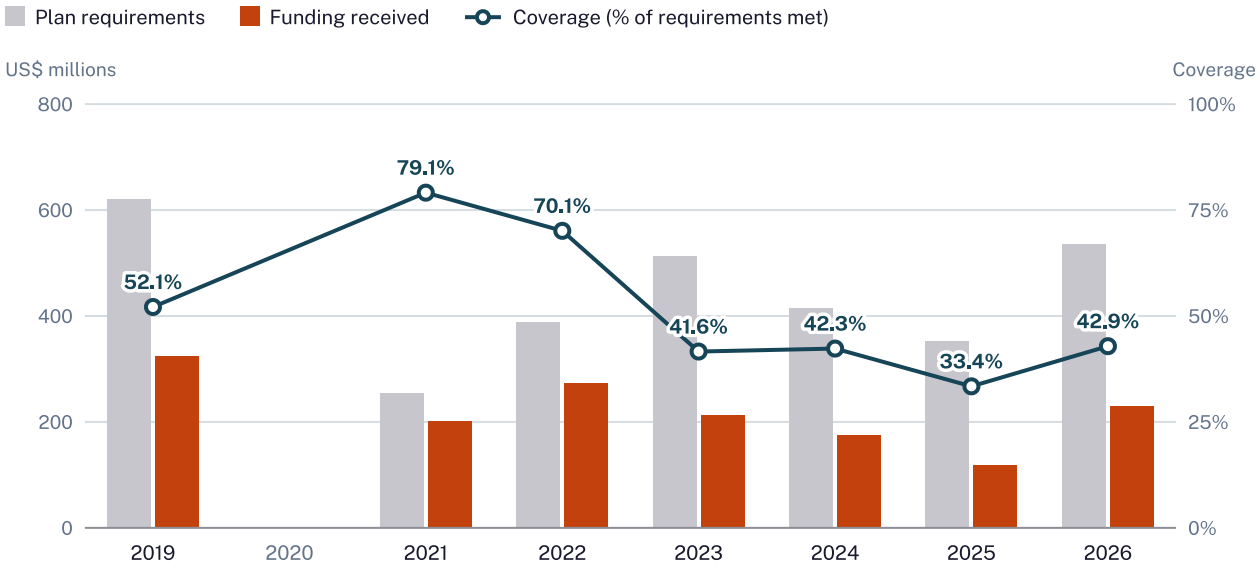
A key barrier for local organisations to achieve greater access to funding is the onerous due diligence procedures of prospective donors, including UN agencies and international NGOs, which not enough MLHCP members have completed. This short advocacy note presents the analysis that MLHCP has conducted on the status of humanitarian funding and due diligence of local actors in Mozambique.

2. Humanitarian funding trends in Mozambique

Mozambique continues to face a multitude of humanitarian challenges linked to conflict, displacement, climate shocks and public health risks which compound existing vulnerabilities. In Cabo Delgado, ongoing conflict means that around 1.38 million people continue to live with the consequences of displacement: 662,000 remain displaced while 722,000 have returned. Floods at the beginning of 2026 affected 724,000 people countrywide, with over 100,000 displaced at the peak of the emergency. The country is bracing itself for the impact of El Nino which is already causing severe drought in many provinces with the expectation of cyclones in the coming rainy season.[1]

1 For an overview of the current humanitarian situation in Mozambique see 'Mozambique – the cost of inaction', OCHA, August 2026

Figure 1. Mozambique humanitarian funding against humanitarian plan requirements, 2019–2026



Inside-appeal funding only: funding recorded against the humanitarian plan. No comparable humanitarian response plan in 2020.

Source: UN OCHA Financial Tracking Service, fts.unocha.org/countries/152. Inside-appeal funding only. Retrieved 16 October 2026.

As Figure 1 above shows humanitarian funding has fluctuated since 2019, falling well short of the financial requirements. Following the global funding downturn in 2025 with the dismantling of USAID and other donor cuts, Mozambique was nearly included as part of the IASC prioritisation plan which would have led to the transition out of the humanitarian response.[2] In 2026, though, Mozambique has been a beneficiary of the US Government's contribution to the Mozambique Humanitarian Fund (MHF) which along with other donors has meant that more funding has been received at this time of the year than last year already. So far this year, the HNRP has received US$229.3 million, which is 42.9% of the US$534.3 million required which is far more than this time last year.[3]

3. Funding to local and national NGOs in Mozambique

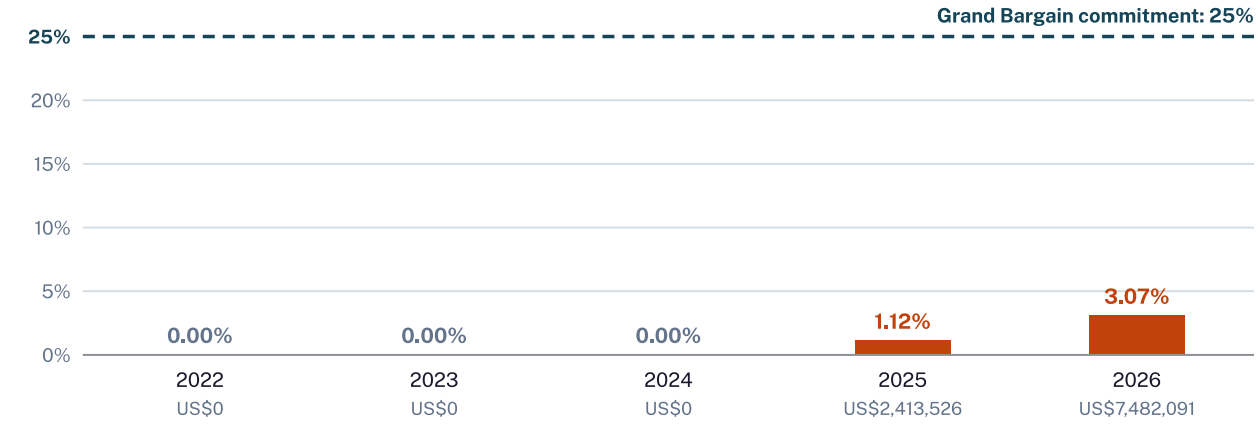
Globally, local and national actors received just 3.8% of humanitarian funding in 2024, and 4.4% in 2025 according to a recent study by ODI's Humanitarian Policy Group. When indirect funding from UN agencies and international INGOs is included, the 2024 figure goes up to 9.5% (equivalent figures for 2025 are not yet available).[4] These figures include funding to host governments and therefore the amount going to local and national NGOs (L/NNGOs) is even less. There has also been no improvement in recent years, and the humanitarian system remains a long way off reaching the Grand Bargain commitment.

2 'Mozambique: A case study of growing need and global aid cut confusion', the New Humanitarian, 10 September 2025

3 See OCHA Financial Tracking Service (FTS)

4 Pearson, M. and Rieger, N. (2026) The state of international humanitarian funding to local and national actors. HPG report. London: ODI Global

Figure 2: Direct funding to L/NNGOs in Mozambique, 2022 to 2026

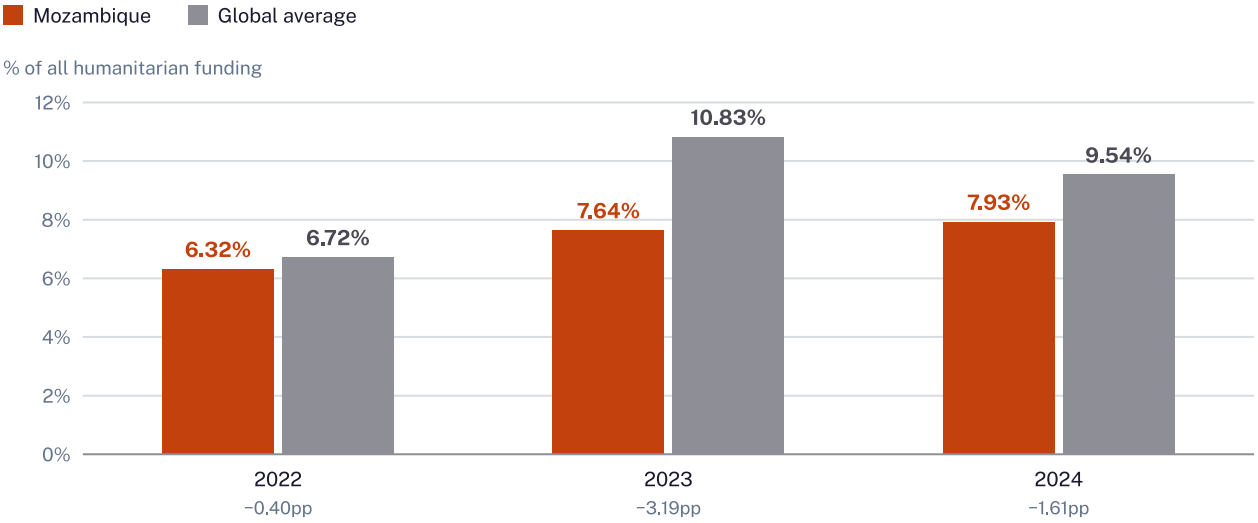


Share of all humanitarian funding to Mozambique recorded by UN OCHA FTS, inside and outside the appeal: US$215.4 million in 2025 and US$243.6 million in 2026. This total is larger than the inside-appeal funding in Figure 1. 2022–2024 from the ODI/HPG dataset.

3.1 Direct and indirect funding

Figure 2 above shows direct funding to L/NNGOs in Mozambique, from the ODI HPG dataset for 2022–2024 and from UN OCHA FTS for 2025 and 2026. As can be seen L/NNGOs received just 1.12% of funding in 2025 and 3.07% in 2026. When indirect funding is included, these figures increase, also with a steady increase from 2022 to 2024, although as shown in Figure 3 below, Mozambique falls behind global averages.

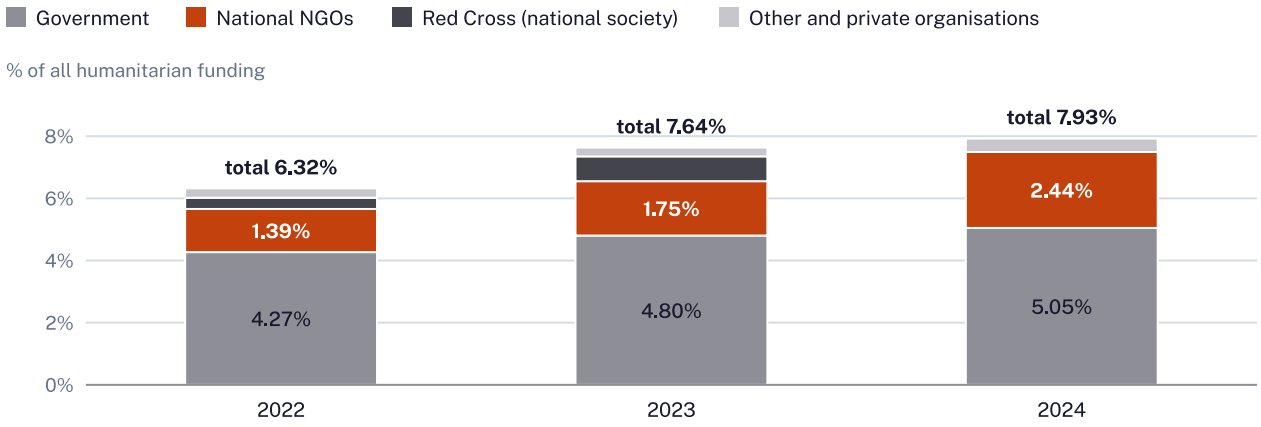
Figure 3. Funding to local and national actors in Mozambique compared with the global average, 2022 to 2024



ODI/HPG definition of local and national actors, host government included.
Figure below each pair = gap to the global average.

Furthermore, as Figure 4 below shows, most of the indirect funding to local actors went to the Government rather than L/NNGOs who received 2.44% in 2024 although with some increase from previous years.

Figure 4. Funding to local and national actors in Mozambique, by type, 2022–2024

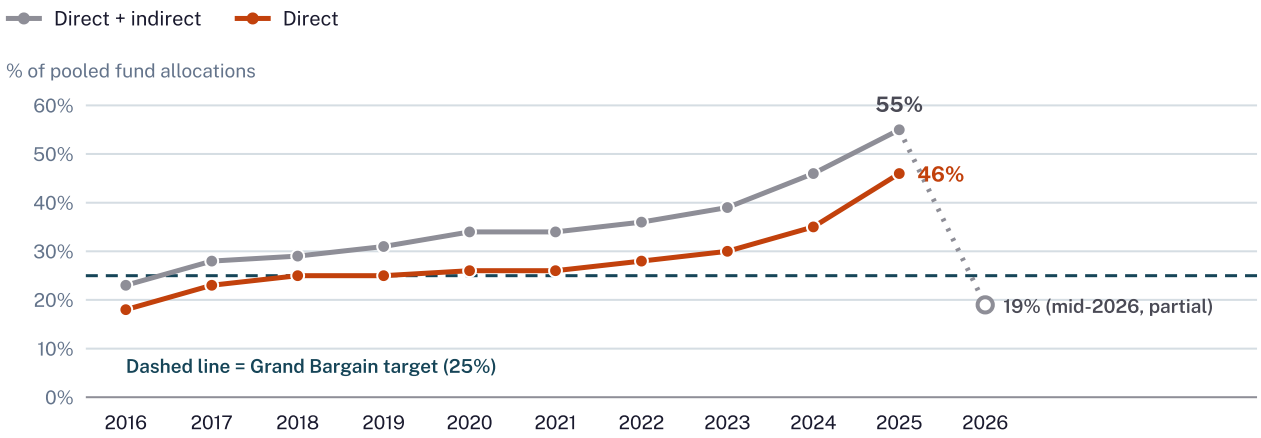


Source: ODI/HPG, local_hum_funding dataset. Constant 2023 prices.

4. OCHA-managed funds: Mozambique Humanitarian Fund and CERF

As a sub-set of overall humanitarian funding OCHA manages the Mozambique Humanitarian Fund and allocations from the Central Emergency Response Fund (CERF). The MHF is the Mozambique envelope of the Eastern and Southern Africa Humanitarian Fund (ESAHF). The MHF was established in 2025 and has so far allocated US$85.7 million. Globally, Country-Based Pooled Funds (CBPFs), such as the MHF, have been a vehicle for promoting greater access to funding to L/NNGOs. As Figure 5 below shows the proportion of overall global funding from CBPFs going to L/NNGOs has increased from 18% in 2016 to 46% in 2025. This proportion is expected to significantly decrease in 2026 as the US contribution to 18 CBPFs globally has mainly gone to UN agencies and INGOs.

Figure 5. Share of pooled fund allocations reaching local and national actors, 2016–2026



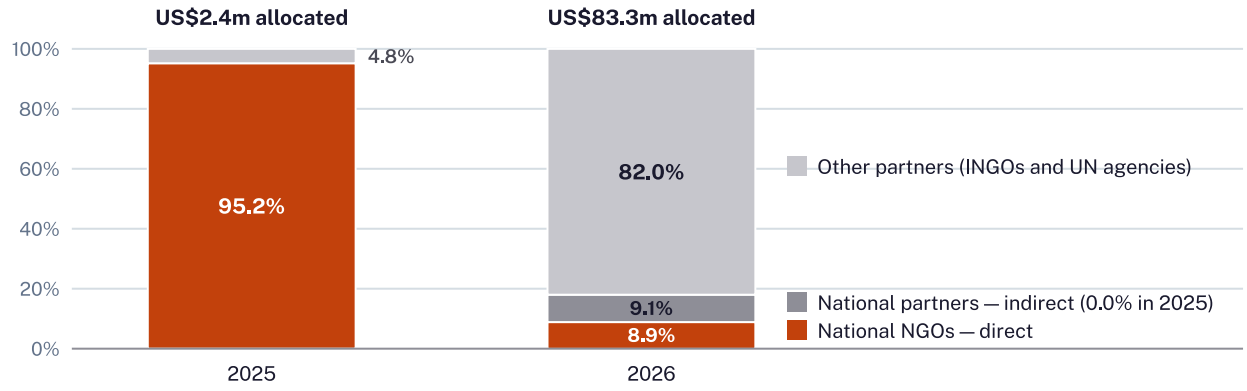
No separate direct figure published for 2026.

Source: ODI/HPG, The state of international humanitarian funding to local and national actors (May 2026), Figure 10, p. 39; 2026 from Box 5, p. 48.

At the beginning, the Mozambique Humanitarian Fund prioritised funding to L/NNGOs. As Figure 6 below shows 95.2% of the US$2.4 million allocated in 2025 by the MHF went to L/NNGOs. However, a shift was decided in late 2025 to also open it up to UN agencies and international NGOs. In early 2026, a contribution from the United States massively increased the size of the MHF, which allocated US$77.8 million of it in a single round. However, given the six-month implementation period and preference for a small number of projects in the allocation of this, UN agencies and international NGOs were prioritised. L/NNGOs received directly just 4.5% of the funding made available as part of the first US allocation, rising to 12.7% once indirect funding through UN agencies and INGOs is counted.[5] More than 30 projects were submitted by L/NNGOs but only 3 were selected out of the 14 funded projects overall.

Figure 6. Mozambique Humanitarian Fund (MHF): composition of allocations by partner type, 2025–2026

% of total allocations



Source: UN OCHA, CBPF Data Explorer, "Mozambique (RhPF)" fund. Retrieved 16 October 2026.

In 2026 so far, of the US$83.3 million in total (including non-US and other donor contributions) that has been allocated, L/NNGOs have received 8.9% directly and 9.1% indirectly – a massive decrease in the proportion from 2025. Their share fell from 95% in 2025, although in absolute terms they received more than three times as much. The fund's 2025 annual report records that more than 30 national NGOs completed capacity assessments during the year, and 15 were assessed as eligible to receive direct funding.[6]

5. Overview of due diligence

A key blockage to increasing access to funding for L/NNGOs in Mozambique is that only relatively few organisations have had the opportunity to, or have successfully completed, the due diligence procedures with prospective donors. The MLHCP maintains a Due Diligence Database to record information on which of its members have completed due diligence processes with different donors – principally UN agencies and INGOs. The purpose of the database is to help facilitate greater access to funding for L/NNGOs by storing, sharing, analysing and presenting data on the due diligence profile of L/NNGOs. MLHCP members are requested to complete their profile and self-report on the database portal (www.placohm.co.mz/#/dd-self-report). Apart from overall trends, no data is shared with third parties without the specific consent of the members concerned.

5 ESA HF Mozambique (US Grant) After-Action Review, Survey Results Summary Note, 21 April 2026, p. 2:

6 ESAHF Mozambique 2025 Annual Report, p. 21, 'Risk Management of Partners': more than 30 national NGOs completed capacity assessments during the year, with 15 organizations assessed as eligible to receive direct funding: https://reliefweb.int/report/mozambique/esahf-mozambique-2025-annual-report

MLHCP has more than 160 member organisations. As of 6 October 2026, 122 of them were registered on the platform, and 42 organisations had completed a profile in the Due Diligence Database (43 submissions, as one organisation submitted twice). Of the 43 submissions, 25 reported having been through a due diligence process and 18 reported never having done so. Of the 25, only eight have so far recorded which agency carried it out. Member self-service only opened on 24 September 2026, so many may simply not have completed that field yet. The database remains work in progress, and MLHCP will steadily increase the information it holds on its members' due diligence status.

5.1 With UN agencies

Most UN agencies in Mozambique partner with at least some L/NNGOs. The UN partner portal is used for prospective local organisations to register their interest in receiving funding from UN agencies. The number of Mozambican organisations registered on the portal is not publicly available. There has been discussion of passporting so that once an organisation has completed the due diligence procedures for one UN agency it is not necessary to do the same for another. Some UN agencies, including UNFPA, UNWOMEN and UNICEF, operate the FACT system with this goal in mind. However, passporting has not been adopted as a general principle by UN agencies in Mozambique yet.

5.2 Local partner funding mechanisms – FAST-M, IOM RRF and MHF

As well as direct individual funding from donor governments, UN agencies and international NGOs, there are now several response and funding mechanisms designed to increase the level of funding to L/NNGOs, including the IOM Rapid Response Fund (RRF) and FAST-M, supported by Save the Children. The START Network has also just opened membership for Mozambique which will open access to L/NNGOs to its START Fund and Start Ready Fund. There is significant overlap between the membership of MLHCP and these funding mechanisms as shown in table 1 below. For example, 72% of FAST-M members are also members of MLHCP with the two platforms having an MoU in place.

Table 1. Overlap between MLHCP membership (register of 23 September 2026) and the local partner funding mechanisms

	MLHCP	FAST-M	IOM RRF	MHF (provisional)
Organisations on the list	**119**	32	37	16
MLHCP members	**119**	23	10	9
% of the list that are members	**100%**	72%	27%	56%
% of the 119 members	**100%**	19.3%	8.4%	7.6%

Table 1 uses the MLHCP register of 23 September 2026 (119 members), against which the partner lists were matched by hand. By 6 October 2026, 122 members were registered.

Source: MLHCP membership register (23 September 2026); FAST-M and IOM RRF partner lists, not public; UN OCHA, CBPF Data Explorer.

NB. The MHF column counts national NGOs that held a grant directly from the fund in 2025 or 2026: 16 organisations in all, 12 in 2025 and 7 in 2026, three of them in both years. Organisations that received fund money indirectly, as sub-grantees, are not published by name and are not counted here.

6. Key barriers to due diligence

On 9 July 2026, MLHCP organised a workshop in Pemba which brought together 65 participants, including member organisations, the IOM Rapid Response Fund and FAST-M.[7] The objective of the workshop was to improve local humanitarian actors' understanding of the due diligence requirements applied by funders, and to support them to become eligible for humanitarian financing through stronger administrative organisation, governance and financial systems. Participants identified four areas in which due diligence requirements are most often not met by L/NNGOs: documentation; internal governance; financial capacity and control systems, including audit; and programmatic capacity.

They also set out six reasons why these requirements are hard to satisfy. The points below are offered constructively and are not directed at any one mechanism.

> **Circular requirements.** Several requirements, such as audited accounts or evidence of managing grants of comparable value, can only be met by organisations that have already received funding of a certain size.
>
> **Duplication without recognition.** Each agency runs its own process, so an organisation that has completed due diligence with one generally starts again from the beginning with the next, at a cost it bears repeatedly and to no cumulative benefit.
>
> **Unfunded compliance.** Organisations are expected to have policies, systems and qualified staff in place before they become eligible, yet the cost of establishing them is not itself fundable, and indirect cost recovery is often too low to maintain them once they exist.
>
> **No feedback.** Organisations that are not approved are frequently not told which requirements they failed or what would need to change, so the process produces exclusion rather than improvement and the same organisation fails again at the next opportunity.
>
> **Language and format.** Requirement lists, forms and online portals are often available only in English, and supporting documentation in Portuguese is not always accepted.
>
> **Proportionality.** The same requirements are generally applied regardless of grant size or risk level, so a small community-based organisation seeking a modest grant faces a process designed for a large one.

Coordination on due diligence between the different funding mechanisms in Table 1 is currently limited. Apart from the informal sharing of information, each continues to run its own due diligence process, with its own requirements, forms and timetable, and an organisation assessed by one is not recognised by the others under the principle of passporting. This creates lots of inefficiencies and provides an extra burden to L/NNGOs.

7 See MLHCP Due Diligence Workshop Report, 9 July 2026, Pemba. Published at www.placohm.co.mz/#/resources.

7. Conclusion and recommendations

As this advocacy note has shown L/NNGOs receive a small fraction of humanitarian funding in Mozambique. Despite commitments made under the Grand Bargain and Humanitarian Reset the situation is not improving. Due diligence is intended as a risk management approach, but it is acting as a barrier to more direct funding. While donor compliance must be respected greater coordination between prospective donors and greater support to L/NNGOs would significantly help improve access to funding. With this in mind the following recommendations are made:

- Agree targets for the amount of funding to L/NNGOs in each funding mechanism, especially the MHF.
- Make it mandatory that UN agencies and INGOs should partner with L/NNGOs in funding allocations and reward those that do this.
- Increase coordination between the funding mechanisms (FAST-M, IOM RRF, MHF, START Network, etc.) about due diligence information of L/NNGOs.
- Develop a system of 'passporting' to reduce the due diligence burden on L/NNGOs.
- Increase data submission to MLHCP Due Diligence Database and make the tool available to all stakeholders.
- Invest in the institutional development of L/NNGOs to increase their chances of completing due diligence processes.

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