

No more excuses: Prioritising local leadership in cash assistance in Ukraine

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Executive summary

Introduction

Civil society organisations (CSOs) in Ukraine encompass a diverse spectrum, from long-standing NGOs and faith-based groups to newly formed volunteer-driven organisations, many of which have evolved into permanent fixtures within their communities. Ukrainian legislation recognises several legal forms for CSOs, each with distinct regulations and operational implications.

Since February 2022, Ukraine has seen a new expansion of local civil society, with 308 newly registered CSOs and an additional 1,700 volunteer-based CSOs emerging in response to the crisis. Pre-existing CSOs often have greater capacity, more extensive vetting, and closer integration with the aid sector, allowing them to access greater shares of funding and support.

The humanitarian landscape in Ukraine is now shaped by local organisations, which have become the principal providers of aid. For example, local organisations represent 71% of all organisations involved in Ukraine's Humanitarian Response Plan 2025; and UN Agencies surveyed for the latest Annual Ukraine Localisation Survey estimate that on average, local or national NGOs implemented 55% of their programmes' activities.

Humanitarian cash assistance has emerged as a critical component of Ukraine's response to the ongoing crisis. The scale of cash assistance since 2022 has been possible not only by the magnitude of need but also by Ukraine's strong and resilient markets, which provide a conducive environment for large-scale cash assistance: In 2024, over 4 million people benefited from cash assistance,

amounting to USD 680 million. This is a reduction from USD 1.08 billion in 2023 and USD 1.49 billion in 2022.

Further reductions are anticipated in 2025; the announced cancellation of more than 90% of USAID funding has led to the suspension of numerous aid programmes worldwide, including those in Ukraine.

Despite Ukraine's well-established civil society, the majority of cash transfer programmes are shaped by international organisations. Local CSOs are often restricted to support functions such as recipient registration. In 2024, only 3.4% of funding for cash assistance was handled by local or national organisations.

As the war enters its fourth year and funding cuts demand more cost-efficient solutions, the need to align more closely with the government-led social protection system is increasingly urgent. Meanwhile, enhancing the role of local actors in leading and sustaining cash assistance efforts is essential for long-term effectiveness. **This study aims to examine the current and potential future role of Ukrainian civil society in the provision and leadership of cash assistance programmes, in accordance with their comparative advantage. It will explore local actors' added value, identify barriers to their full participation, and offer insight into how cash programming can transition to Ukrainian CSOs.** The findings will inform stakeholders including response leadership, donors, and cash actors about opportunities to shift toward a more locally-led model of humanitarian cash assistance that aligns with and complements Ukraine's social protection system.

Read the full report
and detailed
methodology [here](#).



Key findings

Localisation is a key policy priority for donors and cash actors in the humanitarian response in Ukraine. However, Ukrainian CSOs remain largely in support roles rather than leading cash assistance efforts.

This report makes clear that there are no more excuses for delaying the shift toward locally-led cash assistance in Ukraine. The evidence is available, the models exist, and the capacity is present. **With funding constraints intensifying in 2025, transitioning to a locally led model is not just an option – it is an imperative for the future of humanitarian aid in Ukraine. The humanitarian sector must move beyond rhetoric and decisively empower local actors, ensuring that those closest to the crisis receive the leadership roles they are capable of fulfilling.**

The report is structured around a conceptual framework that differentiates between localising institutional cash assistance and empowering locally led cash responses in Ukraine. The former focuses on equipping local actors to operate within the international, institutionalised cash system, whereas the latter emphasises empowering local actors to lead cash responses independently.

What aid recipients think of cash assistance and social protection

The lack of locally led decision-making often worsens access barriers to cash assistance and social protection services. Aid recipients name many challenges such as exclusion from aid due to rigid eligibility criteria, inconsistent information channels, and bureaucratic hurdles. These challenges could be alleviated through greater leadership of local actors who are deeply embedded in communities and have firsthand knowledge of their needs. **Top-down decision-making risks overlooking gaps that local civil society organisations are better placed to identify and address.**

Good practices for locally-led cash solutions

Local CSOs often serve as the primary link between aid recipients and assistance programmes, particularly for vulnerable populations who might otherwise be excluded.

Many marginalised groups, including Roma internally displaced persons (IDPs), face barriers such as digital exclusion, limited information, and institutional mistrust. Local CSOs can play a critical role in overcoming these challenges, ensuring that communities hesitant to engage through official channels still receive the support they need.

Unlike international NGOs and UN agencies, which often face security restrictions, **local actors are also able to access frontline areas and remote communities**, delivering aid to those who might otherwise be left behind.

Beyond delivering aid, **Ukrainian CSOs play an essential role in helping people navigate bureaucratic processes and secure state support.** Through informal referral networks, local organisations identify individuals eligible for social protection programmes and direct them to the relevant government offices. In turn, local authorities often rely on CSOs to verify and refine beneficiary lists, ensuring that assistance reaches those most in need.

Several promising locally led initiatives demonstrate the **potential for a stronger role for Ukrainian CSOs in cash programming.**

- The Ukraine Humanitarian Fund (UHF) has significantly increased direct funding to national actors, allowing them to operate more independently. Its localisation strategy prioritises fair and genuine partnership models between lead partner and sub-implementing partner.
- Locally led cash models, such as the Survivor and Community-Led Response approach, have proven highly effective in empowering communities to take ownership of aid distribution.
- A growing number of CSOs also emphasise the importance of flexibility and autonomy in programme design as a key factor in achieving more equitable partnerships. Examples from Stellar NGO, Caritas Odesa, and Tenth of April illustrate how local actors, when given greater decision-making power, can develop cash assistance initiatives that are more responsive, inclusive, and sustainable.

Good practices in integrating local CSOs into the conventional cash coordination

Over the past three years, many organisations have significantly scaled their operations, adapting to the complexities of cash and humanitarian assistance. They have developed expertise in programme coordination, targeting, data management, and aid recipient registration. Ukrainian CSOs also take on a vital role in providing guidance to newer or international actors entering their local space.

A key development in the localisation of humanitarian response is the **increasing role of national organisations in mentoring smaller local CSOs**. This model strengthens the sustainability of aid efforts, fosters local ownership, and equips smaller organisations with the skills and resources needed to operate independently. National organisations such as Right to Protection have pioneered peer-to-peer capacity-building initiatives that enable local organisations to assume greater leadership in cash programming.

Similarly, Caritas Odesa has worked to formalise volunteer efforts by transforming active community groups into legally recognised CSOs. Through training in grant-writing and financial management, these newly established organisations have gained the capacity to secure diverse funding sources and operate autonomously, reducing dependency on a single donor. While many of these groups are still volunteer-driven, their formalisation marks an important shift toward a more locally led humanitarian response.

Ukrainian CSOs are also strengthening their collective voice through structured networks such as the cash-specific Collaborative Cash Delivery (CCD) Community of Practice, the Alliance of Ukrainian CSOs, and the National Network of Local Philanthropy Development. These initiatives improve coordination, amplify local perspectives, and advocate for greater inclusion in humanitarian decision-making.

Within formal coordination structures, progress has been made in ensuring greater participation of Ukrainian CSOs. The Cash Working Group (CWG) has embraced a more inclusive approach, incorporating simultaneous translation and expanding spaces for local actors. This has led to increased visibility and leadership roles, with the Ukrainian Red Cross Society now co-chairing the CWG and Right to Protection co-leading the Protection Cluster – milestones in advancing the localisation agenda. However, engagement in coordination structures does not always translate into full decision-making power, as humanitarian clusters often remain exclusive spaces where established connections determine access.

Finally, another major challenge for local actors is the bureaucratic burden of due diligence and capacity assessments, which are often repetitive and resource intensive. The CCD Network has sought to address this through a **harmonised due diligence tool**, which streamlines the process and enables the progressive transfer of responsibilities to local organisations. These efforts represent critical steps toward ensuring that Ukrainian CSOs are not just implementers but full partners in the humanitarian cash response.

Challenges to locally-led solutions

One of the most pressing obstacles is the top-down nature of programme design, which is largely dictated by international organisations, and shaped by external political and strategic considerations rather than direct input from affected communities. **Ukrainian CSOs frequently find themselves in the role of implementers rather than decision-makers, executing predefined projects with little flexibility to tailor assistance based on local needs.**

This rigidity prevents them from leveraging their on-the-ground knowledge to improve the efficiency and inclusivity of cash assistance programmes. In many cases, power imbalances in programme design prevent meaningful collaboration, as donor-driven priorities take precedence over locally led solutions.

Another major challenge is the tendency of donors and international agencies to prioritise frontline regions, often at the expense of broader, long-term support. While aid to high-intensity conflict zones is critical, this focus has led to reduced funding for rehabilitation, medical assistance, and integration efforts in central and western Ukraine, where many displaced populations remain. Attempts by CSOs to advocate for a more balanced distribution of funds, ensuring that long-term recovery needs are met, have often been rejected. This lack of flexibility further limits local actors' ability to design responses that adapt to evolving community needs.

Efforts to integrate humanitarian cash assistance with Ukraine's government-led social protection system have also been fragmented. Coordination between humanitarian actors and relevant ministries remains inconsistent, leading to inefficiencies, duplication of efforts, and gaps in coverage.

Barriers and hesitations to integrating local CSOs into the conventional cash coordination

This chapter explores the key barriers preventing the full integration of local civil society organisations (CSOs) into the conventional humanitarian cash coordination. These challenges include **legal and taxation complexities, restrictive donor policies, financial compliance requirements, and institutional capacity gaps**. Local organisations often have the capability to deliver aid effectively, yet they are discouraged from leading cash assistance programmes due to burdensome financial accountability measures, competitive funding structures that favour international actors, and a lack of direct access to financial resources.

Funding constraints remain one of the most pressing obstacles. Donor policies tend to prioritise large, well-established international organisations, leaving Ukrainian CSOs reliant on subcontracting arrangements rather than receiving direct funding. Complex financial and regulatory requirements further exacerbate these difficulties, making it challenging for local actors to secure and manage funds independently. Even when funding is available, bureaucratic procedures can delay emergency responses, undermining the efficiency of aid delivery.

Language barriers create additional obstacles for local CSOs seeking to engage with the formal humanitarian system. Coordination meetings, operational guidelines, and funding applications are predominantly in English, limiting access to critical information about financial opportunities, technical guidance, and response planning. As a result, local actors are often excluded from key discussions and decision-making processes, reducing their ability to influence aid strategies.

Despite ongoing efforts to localise humanitarian coordination structures, many local actors remain sidelined from the formal coordination system. This can lead to inefficiencies in efforts to reduce duplication. With multiple actors operating in the same regions, instances arise where aid recipients receive aid from more than one source while others remain underserved. Building Blocks, a blockchain-based system developed by the World Food Programme to prevent duplication, has proven effective, yet challenges remain. The system is primarily used for Multi-Purpose Cash Assistance (MPCA), and local actors often face barriers in accessing and utilising it for deduplication. Instead, they rely on informal networks to verify whether aid recipients have already received assistance.

Additionally, the technical nature of humanitarian coordination discussions can exclude local CSOs from meaningful participation. Many of these discussions assume prior experience with complex aid mechanisms, sector-specific standards, and international donor expectations—areas where international actors have an advantage. While Ukrainian CSOs are adapting and strengthening their capacity, these structural barriers continue to limit their role in leading and shaping humanitarian cash assistance efforts.

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Call to action: breaking down barriers to local leadership

This report calls for urgent action to break down the barriers preventing these good practices to multiply and Ukrainian CSOs from taking on leadership roles in cash programming. With international commitments to and evidence for greater cost-efficiency with localisation, there is no justification for maintaining the status quo.

At the global level:

1. **Level the playing field:** Donor funding prioritises scale and speed, disadvantaging local actors. Funding criteria should include sustainability, local capacity-building, and long-term impact rather than focusing solely on risk minimisation. International partners must budget for localisation efforts and ensure joint decision-making with Ukrainian CSOs, while local organisations should demonstrate the effectiveness of locally led aid.
2. **Ensure fair and transparent funding:** Opaque financial flows limit local CSOs' ability to advocate for fair funding. Donors should require independent audits and share financial reports with all stakeholders, while international agencies must publish detailed breakdowns of funding allocations, aligning with Grand Bargain commitments.
3. **Extend project durations:** Short-term funding cycles create instability. Donors should prioritise multi-year commitments, while international partners must transition from six-month grants to longer-term agreements. Local CSOs should strengthen financial management and develop multi-year strategic plans to enhance sustainability.

At the national level:

1. **Shift international actors to advocacy:** Donors, UN agencies, and INGOs should focus on policy reform rather than direct aid delivery, allowing Ukrainian CSOs to lead. Their influence should push for tax reforms, national aid registries, and integration with social protection systems.
2. **Increase national leadership in coordination:** Humanitarian coordination must further prioritise Ukrainian CSO leadership. Key documents should be translated into Ukrainian, donors should assign national focal points, and local actors should receive training for leadership roles.
3. **Ensure fair and sustainable funding:** Donors should increase direct funding to local CSOs, expand multi-year commitments, and enhance technical support for financial management to strengthen sustainability.
4. **Diversify funding sources:** Local CSOs should reduce reliance on humanitarian aid by securing government contracts, private sector funding, and social service provision.
5. **Support nationally led consortiums:** Donors should prioritise Ukrainian-led consortiums, while INGOs should transition to supporting roles rather than leading projects. Large national CSOs should mentor smaller organisations.
6. **Foster genuine partnerships:** Local CSOs must be included in programme design, not just implementation. Funding should require co-led projects, and INGOs must support leadership training and peer-to-peer learning.

At the local level:

1. **Strengthen local authority involvement:** Improve coordination between local authorities, CSOs, and donors for better aid delivery. Support integrated cash and social service initiatives to ensure structured referrals.
2. **Improve aid communication:** Use trusted local networks to share clear, accessible aid information. Ensure transparent, widely available updates through local councils and CSOs.
3. **Adopt flexible eligibility criteria:** Implement an 85/15 model, giving local CSOs discretion over 15% of aid. Ensure eligibility criteria reflect real needs, not rigid categories.

Read the full report
and detailed
recommendations
[here.](#)



Who we are

Ground Truth Solutions (GTS)

Ground Truth Solutions (GTS) is an international, non-governmental organisation dedicated to ensuring the priorities of people affected by crises are systematically considered in humanitarian and climate action, from individual responses to system-wide humanitarian reform. Evidence and ideas gathered through rigorous research and inclusive dialogue enable crisis-affected communities to actively shape the decisions that impact their lives. Headquartered in Austria, GTS works globally as an independent advocate, collaborating closely with local partners who share our vision.

<http://groundtruthsolutions.org>

Open Space Works Ukraine (OSWU)

Open Space Works Ukraine (OSWU) is a women-led social change enterprise dedicated to enhancing the effectiveness of humanitarian and development efforts in Ukraine and Eastern Europe. OSWU conducts in-depth research and analysis to inform humanitarian and development programming, facilitates stakeholder dialogue to support evidence-based decision-making, and provides organisational development services. Based in Ukraine, OSWU collaborates with a diverse range of partners to ensure that local perspectives and expertise drive meaningful, sustainable change.

<http://openspace.works>

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