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Future of Aid 2040: **Pathways to Transformation**

From analysis to action: transforming actors

This is the third paper in the *Future of Aid 2040: Pathways to Transformation* project. This report focuses on proposing different organisational structures that would continue to add value in the aid sector in 2040 and consider what an enabling environment to promote that kind of transformation might be.

The Future of Aid 2040: Pathways to Transformation project is led by the [Inter-Agency Research and Analysis Network \(IARAN\)](#).

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Forewords

To ask what the future of aid may look like in 2040, we must begin by accepting two realities at once: that the current system is neither unchangeable nor permanent, nor fully aligned with today's global trends, and that the decisions we make now will determine whose lives are protected, whose voices matter, and which institutions endure in the decades ahead.

In Colombia and across Latin America and the Caribbean, we understand well what polycrisis means. Large-scale human mobility, climate impacts, persistent inequalities, violence, and institutional fragility coexist across many territories at the same time. From border regions such as La Guajira to urban and rural corridors across the region, communities face complex challenges with limited resources, but also with a profound capacity for organisation and resilience. This regional reality anticipates many of the tensions that will shape the future of aid globally.

For many years, debates on humanitarian system reform have focused on refining processes rather than questioning foundations. We have adjusted coordination mechanisms, multiplied compliance requirements, and pursued efficiencies without sufficiently examining who decides, who carries risk, and who is trusted to lead. We must honestly ask whether a humanitarian architecture designed around multilateralism and financing models of the last century remains fit for the challenges ahead. Too often, localisation has been framed as a technical adjustment, centred on projects rather than the structural changes it should drive, when in fact it is a political, ethical, and deeply human question.

Meanwhile, beyond formal debates, communities affected by crises have continued to do what they have always done: organise, adapt, share resources, protect one another, and rebuild. In border regions, informal settlements, rural territories, and urban neighbourhoods, solidarity is not a theory. It is a daily practice. It rarely waits for permission and seldom fits neatly into project cycles or reporting templates.

Much of the most meaningful humanitarian aid in the world is never named in donor reports. It exists in mutual support networks, women-led initiatives, faith communities, diaspora remittances, youth mobilisation, indi-

genous governance structures, and local organisations that remain long after headlines fade. If we are serious about the future, these forms of action must be recognised as a central part of any response, not as efforts at the margins.

From my experience in frontier contexts across Latin America, I have seen local organisations provide the first response, the longest response, and at times the only response. They do so with limited resources, but with legitimacy, memory, and commitment, because in many cases they are the organised expression of the affected communities themselves and protagonists of their own solutions.

As several of the scenarios explored in this study suggest, the future of aid will also depend on who controls data, technology, and the narratives that shape responses to crises. Innovation can expand rights and capabilities, but it can also deepen exclusion if it is not guided by equity and accountability to communities—and among ourselves—to sustain trust.

What makes this study valuable is that it does not confuse the need for change in today's humanitarian system with rhetoric, nor foresight with speculation. Building on the scenarios explored in the first phase, it invites us to ask what value each actor truly adds, which functions should be transformed, created, or abandoned, and how to move toward genuine complementarity centred on local leadership.



The future of aid should not be measured by the ability of current institutions to preserve themselves intact. It should be judged by whether people facing crisis have greater inclusion in decision-making, stronger local systems, fairer partnerships, and more reasons to hope. Achieving that future will require courage to redistribute power, reform incentives, and trust capacities that have been underestimated for far too long.

The future will not arrive through inertia. It will require bold decisions, new alliances, and a real redistribution of power. Hope becomes credible when it is translated into real change.

Andrés Boscán
Asociación Salto Ángel

As long-standing questions around power, legitimacy, funding and local leadership are becoming harder to ignore, this report arrives at exactly the right moment. It asks us to think honestly about what kind of an aid system the communities need and want for the future, and what changes aid organisations must make to help build it.

The representation of potential aid futures outlined here are not fixed models or predictions. They are practical provocations grounded in the perspectives of hundreds of participants across different regions and contexts.

These provocations challenge us not only to rethink the basics of our programmes and structures, but to interrogate the fundamentals: how should different aid actors bring value to the communities they serve? They touch not just on what we do but how we do it, prompting organisations to reevaluate their purpose, power, practice, resourcing and relationships within the sector and beyond. They compel us to ask how can humanitarian aid remain impactful and resilient in the face of political headwinds that may very well last for years?

Some of the ideas in this report are challenging, uncomfortable — and they must be. Meaningful transformation requires more than adaptation. True reform must mean a radical reimagining of the institutions, funding flows and political economy of humanitarian action: devolving power, decision making and resources far closer to frontline aid providers and the communities they serve,

while transforming financial models to maximize the impact of remaining humanitarian resources.

It requires that we think differently about leadership, partnership, incentive structures and control. It asks us to redefine what success looks like and in the eyes of whom.

At Start Network, we believe the future of aid must be locally led, power balanced and collaborative and more accountable to the people affected by and at risk of crises. Achieving that future will require courage, creativity, humility and experimentation across the board.

This report is an invitation to continue that journey together.

Christina Bennett
Startnetwork



Aid, aid system and aid actors¹

In this study ‘aid’ is intentionally used as a broad and inclusive term, referring to any form of assistance provided to prevent and alleviate suffering and enhance the condition and preparedness of people affected by crises. This framing adopts a systems view of human vulnerability and those contributing to improving it, recognising that aid covers a wide spectrum of possible interventions by a broad mix of actors. The aid system includes immediate life-saving interventions (e.g. providing emergency medical care, protection, shelter or food, sometimes in the form of cash and voucher assistance (CVA) and long-term support that tackles structural challenges (e.g. climate resilience, peacebuilding and justice).ⁱ Aid actors are defined as individuals, groups, or organisations that add value within the aid system; it is not a fixed architecture but a dynamic web of actors, relationships, and financial and power flows.

Aid actors are all those who directly or indirectly contribute to prevent and alleviate suffering and enhance the condition and preparedness of people affected by crises.

This definition moves beyond the dichotomy of humanitarian and development action and does not impose universal prerequisites of structure or shared principles on those actors falling under this umbrella. By embracing a broad definition, it reflects the reality that in many places there are multiple humanitarian and development practices led by diverse actors, guided by different principles, priorities, and ways of working with and for crisis-affected communities.

Aid actors can sit in many different places within the aid system. There is no single agreed categorisation of aid actors; they can be grouped into many different brackets depending on the organising framework—for example, by affiliation and function (as proposed by AL-NAP)ⁱⁱ or by structure and governance (as suggested by NEAR).ⁱⁱⁱ Many of these categorisations can be complementary. Building on existing literature while broadening

some categories to further analyse power asymmetries, funding flows, and decision-making dynamics over the course of the outlook, this study proposes three overlapping but analytically coherent categories of actors.

At the core are **local actors**: these are individuals, networks, and organisations rooted in the communities where aid is needed and often directly or indirectly affected by crises. They include local and national NGOs, Red Cross and Red Crescent National Societies, traditional and/or public local authorities, local businesses, community-based organisations, faith groups, frontline social workers, and grassroots volunteers. Local actors are the first responders in crises, hold contextual knowledge, and are key to legitimacy, but they often lack decision-making power at international level and can struggle with sustained funding.

Then there are **intermediary actors**, these organisations channel, coordinate, and operationalise aid at scale.^{iv} They include INGOs, Red Cross and Red Crescent international organisations (the ICRC and the IFRC), UN agencies and some regional alliances of national NGOs. Intermediaries play a dominant role in programming, fundraising, reporting, and standard setting; their governance is often external to the area where aid responses are being implemented, and they often act as intermediaries between international donors and local actors or communities.

Finally, there are **enabling actors**, this group includes states, donors, multilateral development banks, philanthropic foundations, think tanks, media and national or multinational private actors. They shape norms, frame crises, define metrics of success, and enable (or constrain) others through financial, technological, or political power. Their decisions shape the architecture of the system, including what is funded and whose voices are heard. In many contexts, these actors set the agenda, intentionally or not.

¹ This section is a summary of the same content published in the [Future of Aid 2040: Pathways to Transformation – Outlook to 2040 report](#).



Most importantly, at the centre of everything are affected communities. They are not just another group on a list; they are the reason the aid system exists. These people are not just waiting for help. They are the drivers of their own response and understand their situation better than anyone. These communities decide what support they need and should define how that help is given. Respecting them as actors with agency, people with their own voices and rights, is essential for any meaningful aid system.

This framework does not contradict existing categorisations but builds on them by shifting the emphasis from function to influence, and from static roles to dynamic relationships. The framework enables actors to confront shifting priorities and new demands for legitimacy, transparency, and co-creation.

Introduction

The Future of Aid 2040 initiative was designed to respond to three core aims:

- 1. To analyse potential changes in the global context and aid system by 2040
- 2. To identify concrete pathways for organisational transformation
- 3. To develop tools and guidelines to support organisations in kick starting a transformative journey

Phase 1 of the Future of Aid 2040 project delivered on the first aim through a collaborative foresight process. The published outputs captured a shared interpretation of the systems, structures, underlying beliefs and narratives of the aid system today in a causal layered

analysis of the aid system —Unpacking the Aid System: Laying the Groundwork for Transformation. Building from that foundation, the Future of Aid 2040 community co-created four distinct scenarios, which serve as images of how the aid system and the world around it may shift and change between the present day (2025, at the time of writing) and 2040. These were captured in the [Future of Aid 2040 Scenario Outlook](#) alongside a typology of crises that outlines how the community sees the causes of need changing. The outputs of Phase 1 of the Future of Aid 2040 study created the analytical foundation from which the Phase 2 exercises to explore the changing roles of actors have been built.

Figure 1. Future of Aid 2040 scenario matrix

Multipolar blocs The world is divided into regional economic/technological blocs (U.S., China, EU, India, etc.), but there is some level of cooperation. Resource conflict exists at local level but is regionally managed, responses to migration (climate/conflict) differ.	
Network cooperation New alliances and new forms of aid emerge, with innovative transnational funding models (e.g., faith-based funding, income generating, local actors, regional co-operation)	1. Aid on Many Paths In a relatively stable world of structured regional alliances, diverse aid approaches and new forms of governance are accepted and effective. Aid aligns with the culture of the regional block and is built from the context of regional political and economic dynamics (e.g., Chinese, U.S., European, Islamic). Local actors take a leading role in response, while intermediary actors provide financing, technical support and advocacy. New funding streams and economic models emerge, blending religious networks, private foundations, income, and regional alliances.
	2. Patchwork Solidarities A world of varied levels of regional coordination, political stability and increasing inequality. Aid is defined by 'do it yourself' solidarity, driven by self-help networks, members of the diaspora, local faith-based organisations, and episodes of mutual aid. Responses are agile, context-specific, and rooted in local ownership. Aid will largely be transactional and short-term, it enables adaptive and innovative solutions tailored to each crisis. Aid is more improvisational, shaped by shifting alliances rather than global governance. Intermediary actors have limited and inconsistent levels of influence.
	3. Empires of Aid Aid becomes a core instrument of geopolitical competition, fully serving state interests. Major powers, like the U.S. and China, use aid as a tool of influence, shaping global narratives and strategic alliances (e.g., Chinese aid in Africa, U.S. aid in Latin America). The UN is sidelined. Local NGOs operate within strict political constraints, some fully aligned with state agendas, while INGOs act as agents of empires and others struggle to maintain even limited autonomy. Aid is not neutral; it is a tool of power projection.
	4. The Great Unravelling A world of chaos and closed borders, where states prioritise isolation and self-preservation. Aid declines sharply. Massive displacement leads to ungoverned spaces and survival strategies among abandoned populations. Refugees accumulate in the few areas where aid is accessible, creating chronic bottlenecks and humanitarian flashpoints. Many intermediary actors have collapsed as crises are ignored. Only local actors continue to engage directly in support of communities but due to resource constraints, this is largely voluntary.
Survival of the fittest The aid system collapses into fragmented, ad-hoc, highly localised interventions. International NGOs disappear or become highly restricted.	
Empires and conflict The world is fully fragmented into rival empires, with strict borders, military buildup, and limited international cooperation. Conflict over resources escalate as environmental degradation increases. Displacement is widespread.	

As part of this process several things were made abundantly clear:

- The dominant paradigm of the formal, international aid system continues to be defined by the colonial relationships states of the Global North established with states and communities in the Global South. Entrenched power imbalances and a fear of relinquishing control have ensured that localisation has been more about organisational adaptation, as opposed to true sectoral transformation. Who defines what successful localisation looks like is an ongoing debate and control over that narrative shapes what actions are implemented.

“Many humanitarian policies and approaches are based on Western frameworks, assuming that solutions are universally applicable.”

Female participant, Pakistan, National NGO

- For too long localisation has focused on the financial flows of the aid system without reckoning with the greater and more foundational problem— that truly localising aid requires more than a portion of the aid budget to be allocated differently. Rather, every actor in the space needs to embrace greater diversity in aid ecosystems, critically interrogate their own roles, and redefine their value-added, according to the principles of subsidiarity and complementarity. It also requires that all actors embrace change to promote a locally-led system, even where it may be against organisational interests. Though this is the end goal, as long as local and intermediary actors are locked into short-term, externally controlled project-based funding, any talk of shifting power will be very challenging to realise.
- Solidarity with communities in need is the one constant that drives aid across all regions. What solidarity looks like can take different forms depending on the socio-economic situation, traditions, culture and language of each community but the linkages of person-to-person support is a timeless truth that give us hope for progress through collective action. We need to follow their lead.

Phase 2 of the Future of Aid 2040 project builds from the collective foresight of Phase 1 to go from analysis to action. It aims to define which activities are critical for the implementation of aid, in order to propose new archetypes of what different organisations in an effective aid system could look like. Phase 2 of the Future of Aid 2040 study focuses on building a shared understanding of what actor-level transformations could be, as participants define a value-add for different kinds of organisational structures. It can be read as a design-based process in which participants iteratively developed proposals for contextually adaptable, future-fit organisational profiles. These proposals touch on what organisations at the local, intermediary and enabling level need to start doing and, almost more critically, stop doing, to enact this change.

Scenarios are not predictions. They are tools to explore a range of plausible futures and to test the robustness of organisational decision-making. The future is not set, as actors in the aid system have the agency to shape their future; they retain the ability to define what the aid system looks like and influence the world around them. This study is intended to provide a vision for a future crafted with intention and courage. It is not intended to suggest that this is the only way forward, as there is a great diversity of opinion on what the future should look like. Rather, this report aims to provoke further thinking and reflection.

This report summarises the results of the Phase 2 consultations and lays them out as food for thought for organisations interested in undertaking a transformative journey. While transformation is certainly necessary, this report is conscious of the challenging context in which these discussions are currently taking place. Transformation can be particularly hard in times of uncertainty.^v Aid organisations are overstretched responding to escalating needs with fewer resources in very challenging environments. In this context, prioritising organisational transformation is akin to having to build a plane while flying it. The funding shortfalls, high levels of staff redundancies and exhaustion that comes from constant change and restructure has taken its toll on the sector as a whole. However, we must recognise that any pressure or difficulties are certainly most acute for local organisations.^{vi} These difficulties make the transformation of the aid sector even more urgent, as through all this change, at-risk communities are the most severely affected.

The organisational archetypes presented in this report are best understood as prototypes to support structured dialogue and organisational adaptation, rather than prescriptive templates for organisational design. No transformation journey for actors in the aid system will be the same as others. They each have different starting points, challenges and various end points. Seeking standardisation for the sake of efficiency can come at the cost of embracing different cultures and ways of working that are better adapted to creating impact. Actors in the aid system are not all the same, nor should we seek to make them so; embracing diversity and the complementary skills and roles of different actors is critical to leveraging the resources required to meet the great and growing challenges facing vulnerable communities across the globe.

Across both phases of Future of Aid 2040 we work from a simple hypothesis: the current aid industry configuration is in transition. A “post-aid” vision is not a world without solidarity but one in which systems of crisis prevention and response are primarily organised, financed and governed locally, with international actors playing clearly bounded, subsidiary roles under shared or devolved governance.

This report treats that horizon — 2040 — as a compass for organisational transformation. The question for every actor is not whether that shift will come, but to understand what it means for them and how to move deliberately towards it, rather than defending the status quo. The funding and legitimacy crisis of 2025 makes institutional transformation harder in the short term and more urgent in the long term. The window to choose transformation over managed decline is narrowing.

Methodology

The consultation process for Phase 2 of the Future of Aid study took a different format from Phase 1. Whereas Phase 1 relied primarily on virtual consultations with over a dozen networks, Phase 2 combined online and in-person engagements, allowing both a broad perspective on needed transformations and a more granular exploration of how these proposals translate into organisational forms. In-person workshops were hosted in Ethiopia, Germany, Italy, Indonesia, Mexico, Lebanon, and Ukraine. This was an iterative process but, before any intermediary engagement was held, local actors would be asked to do the initial thinking and design; this was critical to the design of the study. The logic for this was that local actors should lead the way in designing any future aid system. Any intermediary actors should use this basis as a framework to consider how and where they can complement local systems.

Future of Aid 2040 Phase 2 community

In Phase 2 a combination of both virtual and in-person workshops were designed to allow a broad perspective on the kinds of transformation that would be necessary. This was integrated with a detailed analysis of how that could be translated into different kinds of organisations.

Over 500 people participated in the Phase 2 consultations. The community contributing to the Future of Aid 2040 Phase 2 process were a similar cohort as those that built the Phase 1 outputs.² Maintaining a participant profile broadly consistent with Phase 1, particularly in terms of regional distribution, organisational type and lived experience of crises, helped to ensure that the organisational archetypes developed in Phase 2 remain anchored in the same diverse perspectives that shaped the original analysis.

This continuity of the participant community between phases strengthens the internal validity of the study. Among other considerations, this continuity ensures that the organisational archetypes and value-chain reflections in Phase 2 are grounded in the same diverse perspectives that shaped the original scenarios.

² Of the 517 participants, 69 did not complete the full background data survey. 21 respondents listed nationalities that cross multiple regions and they were counted in a separate category not in the regional analysis included here.

Most consultations took place at in-person workshops. 64% of the participants joined an in-person workshop held in either Ethiopia, Germany, Indonesia, Italy, Lebanon, Mexico or Ukraine. Here they were asked to develop a competence tree to map their current and emerging capabilities before testing it against the possible futures outlined in the [Future of Aid 2040: Pathways to Transformation – Outlook to 2040](#). A competence tree structure was used as an engaging way to structure futures thinking. This approach draws on established participatory foresight practice, which uses tangible artefacts (such as trees, maps or canvases) to make complex organisational debates more accessible.

Figure 2. Future of Aid 2040 Phase 2 participation snapshot



The competence tree is a structured breakdown of an organisation or alliance into three distinct layers:

Branches capture your value proposition, the details of what value is created and for who by your work. These are represented as the services and programmes delivered or products created. The elements captured in your branches are the easiest to modify, reshape, or reinvent.

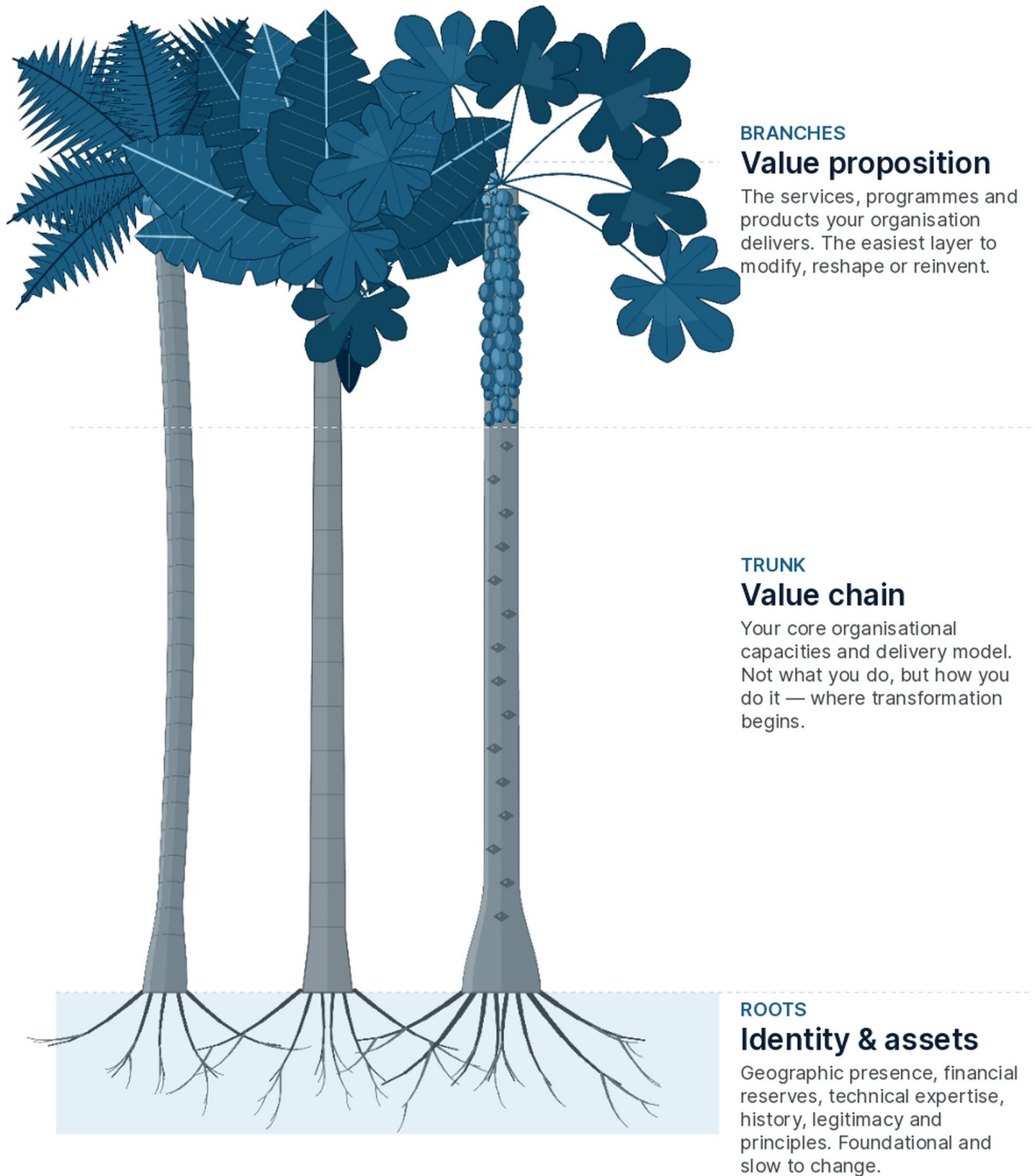
The **trunk** represents your value chain, your core organisational capacities and delivery model. The value chain considers not what you do but how you do it. Changes in your value chain result in new structures and ways of working. This is where transformation can begin.

Roots represent the organisation's identity and assets. This could include their geographical presence, financial reserves/assets, physical assets, technical expertise, data, history, identity, legitimacy and principles. The roots of your organisation take a long time to grow; changes to your roots are fundamental and lay the foundations for thinking and working differently.

In analytical terms, branches correspond to an organisation's realised value proposition. The trunk is its value chain and operating model, and the roots refer to its relatively sticky assets, identity markers and sources of legitimacy.

Once a current competence tree was created, participants then tested their competence trees against each of the four 2040 scenarios. Here they identified which roots, trunk elements and branches remained robust, which appeared fragile or misaligned, and where entirely new 'grafts' would be needed. These grafts could be new roles, capacities or relationships in order to remain effective. Intermediary actors were also asked to specify which capabilities and activities they would devolve to local partners in each future. This reframed their trees not only in terms of what is required overall but how they envision evolving roles being fulfilled by local actors. This created over 30 different visions of organisational competence trees (local and intermediary), each representing a different idea of an adapted and effective organisation able to deliver value in different contexts.

Figure 3. The competence tree: value proposition, value chain, identity and assets



In the Pathways to Transformation (P2T) guide that accompanies this report, there is a practical, workshop-ready version of this competence tree process. This includes: detailed steps, timings and facilitation tips for drawing the tree (Stage 1); testing it in futures (Stage 2); and backcasting a pathway of transformation (Stage 3).

A tree is a useful metaphor as the different parts are universally understood. There is a shared understanding that the roots of an organisation go deepest; that they sit beneath the soil and are not always visible according to the concepts that are captured there. Strategic relationships can also be seen to be built where roots intertwine, as observed by participants eager to stress the need to think differently about how organisations engage. The trunk of the tree is how organisations translate their assets into impact, drawing water from the roots to grow the branches and leaves. Considering how we achieve impact is as important as the actual impact when thinking about sector transformation. The branches are what are seen most clearly, where the impact of the organisation is and what actors inside and external to the system are able to observe. By using a living-systems metaphor such as a tree, this approach endeavours to build from the understanding that changes from the top-down are rarely as transformative as those that grow from the roots.

“A large tree stands in the middle of a barren desert. The tree has deep roots, searching for water to survive. Its leaves are lush, providing shade for everyone who comes, from tiny birds to weary hikers. The tree symbolizes the resilience, protection, and hope that humanitarian aid provides in a time of life’s desolation.

Male participant, Indonesia, Private Sector

The competence trees were then analysed and the common themes were identified from the group work across all the regions. These were captured in a manageable number of local and intermediary organisational profiles presented in this report.

Overview of outputs

This report is one of two parts of the Future of Aid 2040 Phase 2 outputs. As with Phase 1, the voices of people with lived experience of crises are central to every step of this document. They are not people just passively receiving help, but rather they are the most important partners of every aid organisation. It is their perspective which must define what an effective future aid system looks like.

In this document, the following structures are used to summarise the wide range of diverse input captured as part of the workshops:

- An overarching value chain detailing the activities in process of the implementation of aid.
- Local and intermediary actor archetypes – built through the consultation process and summarising the most common priorities of participants across all the regions.
- Recommendations for creating an enabling environment for transformation; these consider how enabling actors can create a funding and policy environment that opens opportunities for transformation.

This report captures the outputs of the Phase 2 consultations process. The wide variety of viewpoints and perspectives collected created a rich foundation from which the value chain, organisational profiles and enabler recommendations were developed. It is not possible to fully detail each unique contribution and there was not uniformity of opinion in where transformation is necessary and what it might look like. However, this report seeks to represent the broad spectrum of views by summarising the input and focusing on the most commonly raised themes and ideas. The summary of the workshops shared in this report were checked and validated with over 100 participants in the final consultations of Phase 2.

The outputs of this study are not prescriptive. They are intended to be a companion to the Pathways to Transformation (P2T) guide which organisations can use to lead their own transformation journey. The Pathways to Transformation (P2T) guide invites organisations to use these shared building blocks — the value chain, archetypes and recommendations — as reference points

for their own competence trees, scenario stress-testing and backcasting exercises. Where this report offers the analysis and shared language, the guide provides a step-by-step process to move from reflection to specific pathways to transformation.

That local actors should lead this process, and not just be consulted, was critical in the design of this study. The reasons for doing this are many fold but they best represented by the words of a colleague who shared her perspective part of the Future of Aid 2040 consultations:

“Local actors are the cornerstone of transformative change within the humanitarian aid system. They possess an unparalleled understanding of their communities’ needs, cultural contexts, and dynamics, enabling more effective, timely, and sustainable responses. However, for local actors to fully realize their potential as drivers of change, the humanitarian system must move beyond rhetoric and embed localization as a fundamental principle in its operations.

Mainstreaming the localization perspective requires a shift in power, resources, and decision-making authority toward local organizations and communities. This involves recognizing their expertise, prioritizing their leadership, and ensuring equitable partnerships that respect local knowledge and capacities. It also demands changes in funding structures, with more direct and flexible financing for local actors, enabling them to act swiftly and autonomously in times of crisis.

By embedding localization into the core of humanitarian aid, we can create a system that is not only more accountable to affected populations but also better equipped to address the complex and evolving challenges of the future. Local actors are not just participants in the aid system—they are its leaders, and their empowerment is the key to building a more inclusive, effective, and resilient humanitarian response.

Female participant, Turkey, National NGO

Fit for the future aid value chain

“The current humanitarian aid system is neither effective nor efficient and has a limited impact on populations in need of assistance. Despite the funds invested in humanitarian aid, the living conditions of affected populations remain dire.

*Male participant, Burkina Faso, Local NGO
(translated from French)*

When considering how to operationalise change towards an aid system in which local leadership is the norm and responsiveness to community demands is mainstreamed, it can be a useful first step to start from a shared map of what the system actually does. A value chain is a simple and effective way to do that. A value chain traditionally represents “the full range of activities ... businesses go through to bring a product or service from conception to delivery”.^{vii} For the aid sector, we have adapted the concept of a value chain to outline the full sequence of activities from garnering resources, agenda-setting and programme design to coordination,

operations, legitimacy and reporting.

Unlike in corporate settings, we do not propose to use a value chain to find areas of competitive advantage; rather, we use this analysis to determine how different actors can collectively contribute to impact for crisis-affected people in a coordinated and complementary way.

The goal of a value chain is not that actors invest equally in each activity, but rather that they focus on those areas where they have the most to offer and work with others where they are better positioned. It can be a shared reference point from which to strategize. It can also highlight where there are overlaps and duplications, bottlenecks and opportunities for optimisation through collaboration.

When using a value chain, it must first be clear what is understood by “value” and who that value is created for. Unlike in the private sector, by “value” we do not mean

Figure 4. Fit for the Future aid value chain



* A DAO (Decentralized Autonomous Organisation) is an organisation governed by rules encoded in smart contracts on a blockchain, rather than by a central authority like a board of directors or management team.

financial value or profit but rather impact for communities in need of support. This is a critical distinction. Value in the context of the aid sector is progress towards the achievement of the shared goal to prevent and alleviate suffering and enhance the condition of people affected by crises. It is very important that affected communities are at the centre of every decision made in the aid sector. They should define what 'good help' looks like and what the value of an aid organisation is. With this as the framing of value, organisational growth (or even preservation) is not considered as a necessary result of any changes. It may be a by-product of shifts in any one organisation, but it should not be the ultimate goal.

The overarching value chain proposed here is deliberately high-level to allow for a wide variety of organisations to see their work under its broad umbrella. Local civil society, National NGOs, International NGOs and UN bodies as well as private sector actors and governments each implement these steps in different ways. The activities capture the broad set of capabilities, tools and skills actors in the aid space leverage to enact their different missions and achieve impact. Rather than prescribing an optimum configuration, the value chain invites actors to consider where they sit and how they might need to change to function better, in line with their mission and mandate. Not all actors will have (or need) expertise at every level.



...Aid is like a gardener tending to a scorched landscape after a wildfire has swept through. The wildfire represents a crisis after which the land is left barren and communities charred with despair. The gardener steps in with a toolkit: seeds of hope, water of relief, and the careful hands of compassion. The seeds are food, shelter, and medical care — necessities to start anew. The water symbolizes the emotional support and protection needed to nurture resilience. The gardener works tirelessly to replant, replenish, and rebuild, even as embers smoulder and new flames threaten the horizon...

Male participant, Turkey, Local NGO

This overarching value chain was developed through the Future of Aid 2040 Phase 2 consultation workshops. Participants were first asked to reflect on the core areas of transformation required across the four 2040 scenarios, and then, during the in-person sessions, to map these areas onto a value chain understood as the trunk of their competence tree. Their responses were aggregated into Figure 4. Fit for the Future aid value chain, and further contextualised in Figure 5. Fit for the Future capacities matrix across the four scenarios.

The idea of value-chain analysis is that each organisation can find their own place in the system. Rather than seeking a comparative advantage over their allies, they can invest in areas of complementarity and build strategic alliances, which are greater than the sum of the different parts.

A common value chain functions as a shared map which communities, local, intermediary and enabling actors can use to identify overlapping responsibilities, gaps and potential areas of deliberate complementarity. In essence, it can be used as a map to chart a pathway to transformation.

Transformation in different futures

As part of the development of the value chain participants were asked to consider what areas of transformation they felt were most critical for success in each scenario. Across all futures the areas listed below were reported as the most important:

1. Transforming our capacity & resilience (e.g. becoming more adaptive, investing in people, fostering

innovation and local leadership)

2. Transforming how we mobilise resources (e.g. new funding partnerships, flexible financing, community and private sector models)
3. Transforming partnerships (e.g. new alliances, networked approaches, shared governance, multi-sector collaboration)

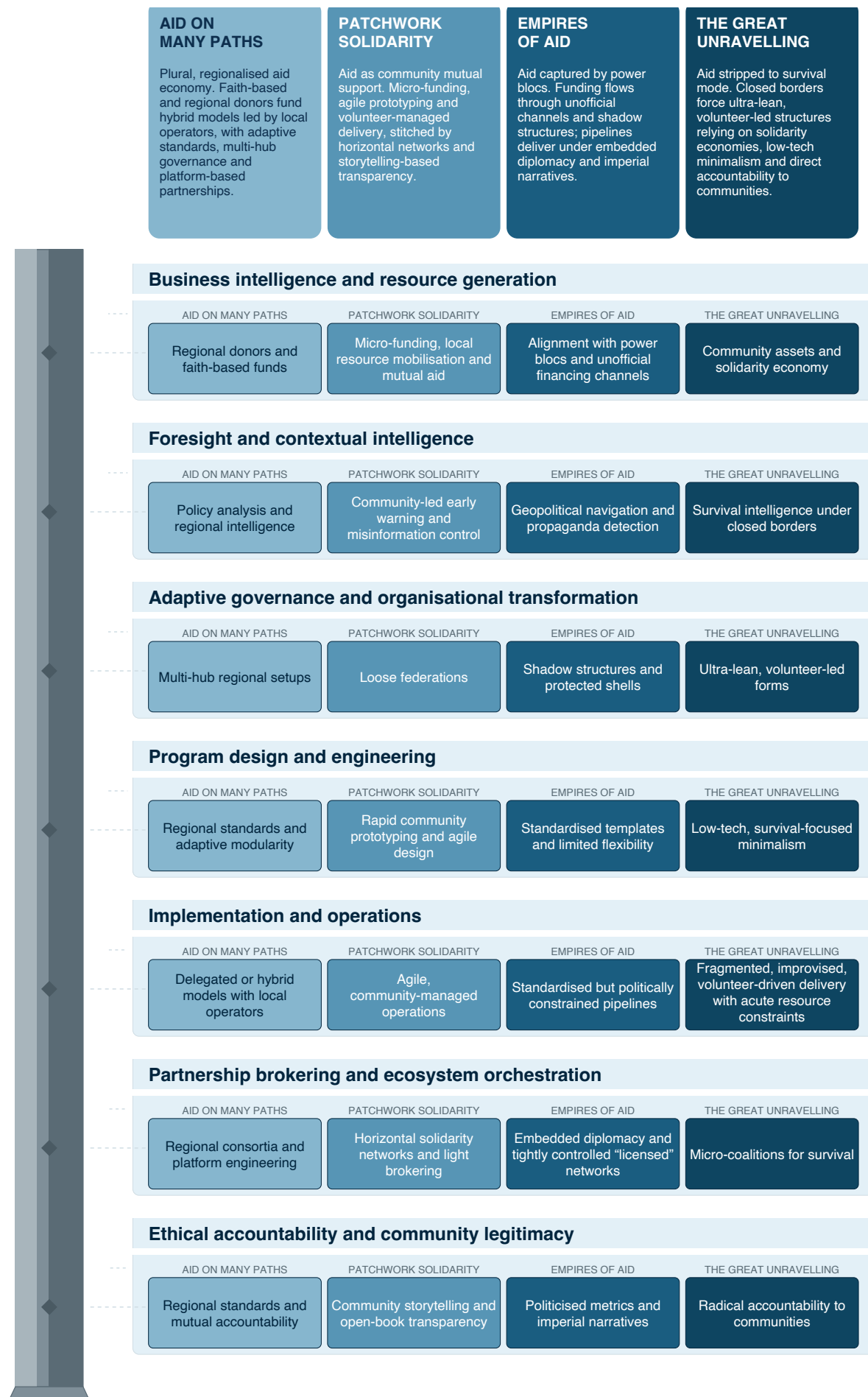
For the scenarios *Aid on Many Paths* and *The Great Unravelling* “Transforming how we use knowledge and foresight” (e.g. anticipating risks, learning from local insights, turning data into decisions) was listed as a top transformation. This was chosen instead of “transforming capacity and resilience” or “transforming partnerships”, respectively. In other words, participants saw transformation as re-arranging who does what, with whom, and under whose authority as resources fluctuate, not ‘doing more with less.’

The value chain too can be contextualised to the scenarios. How organisations implement their activities of the value chain will vary depending on the context in which they are working. Below are some examples of how each activity can look different in different possible futures. It does not offer a comprehensive description of each activity in each future, but rather illustrates how the same function, such as business intelligence, foresight or partnership brokering, could look different in each context.

The value chain presented here is the common ground from which different organisational profiles have been developed. Local actors led the way in devising what effective organisations would look like, providing intermediary actors with visions of local leadership that could and should be reinforced and supported. The archetypes represented below are not to be merely adopted but adapted. The archetypes are not mutually exclusive; any organisations may find that they work in-between or across the profiles represented here. Standardisation is not the objective but rather greater respect for the value and diversity of all actors operating in the aid space.

In this report, transforming the economic model of aid organisations is not implicit; it is built into the value chain itself. This is a critical and fundamental shift when it comes to considering transformation as who funds aid is a driver of the systems structures and culture. What

Figure 5. Fit for the Future capacities matrix across the four scenarios



was once treated as a narrow “fundraising” function is reframed here as “business intelligence and resource generation”; this necessarily encompasses diversified and politically-aware ways of sustaining work. How resources are generated and governed is very important, whether that be through member contributions, social

enterprise, community finance or explicitly funded coordination and rights work. Fundraising in these broad terms shapes who sets priorities, who carries risk, and whose autonomy expands or contracts across all the organisational profiles that follow.

Local actor archetypes

“Gandhi’s quote, “Whatever you do for me without me, you do against me”, is a profound reflection on the importance of inclusion and the active participation of individuals in the decisions that affect them... When actions are taken without taking into account the voices and needs of the people concerned, this can lead to inappropriate solutions and a feeling of exclusion.

Male participant Democratic Republic of Congo, National NGO

The legitimacy of every aid organisation is dependent on their capacity and willingness to be led by the communities they serve. The closer an organization is to the community’s own leaders, the more trusted and important its role is. The Future of Aid 2040 deliberately prioritised the voices of local actors in defining what “fit for the future” organisations could look like in 2040. Local actors are not implementers of someone else’s strategy; they are leaders shaping how aid creates value on the ground. The local actor archetypes summarised below represent the most common patterns and ideas that were surfaced in workshops held in Mexico, Ukraine, Ethiopia, Lebanon and Indonesia. These workshops created a vision of how we can move beyond rhetoric to practice; together participants profiled different potential structures of local organisations defining their own place on the value chain and investing further in the capabilities highlighted for locally-led futures. The local actor archetypes are not intended to capture every potential organisational structure that could have value in 2040; but rather provoke thinking on what some effective local civil society organisations could look like. These archetypes are not externally imposed but rather aggregated from the typologies proposed by participants.

It is clear from the widely documented failure of the formal international aid sector to advance system-wide change over the previous decades,^{viii} resulting in the preservation of colonially-rooted power imbalances and inefficiencies, created a lack of responsiveness to what communities truly need. Local actors have not been waiting for the international community to catch up but have been moving, steadily investing in their own systems and structures for effectively delivering on the needs of their communities. Building from their vision of what an effective system looks like offers an avenue for all actors to follow a pathway of transformation that could result in better outcomes for communities.

Below are three organisational archetypes developed through the consultation process, the alliance weavers, justice sentinels and community lifeline profiles highlight important attributes that are necessary for transformation. These three categories provide specific, practitioner-generated illustrations of what locally-led organisational innovation already looks like; these need to be respected and reinforced.

“Changing the system starts with us, the community approach remains a pillar of change that leads to community resilience.”

Female participant, Democratic Republic of Congo, National NGO

Alliance Weaver

The Alliance Weaver is an organisation that convenes coalitions, runs shared platforms; for example hosting shared information, MEAL capacity, collective advocacy, or pooled local funds, and builds trust and accountability norms across actors in their space.

Key competencies required

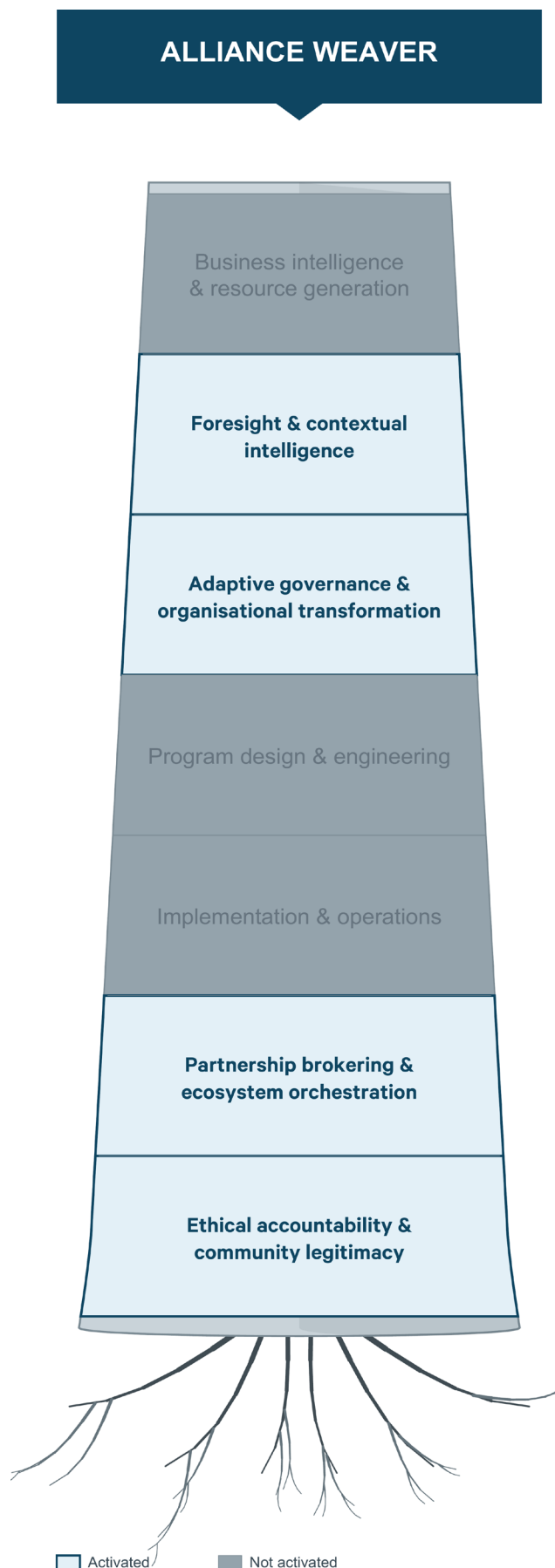
- Foresight to map actors within the space and integrate new and existing players to increase networked capacity
- Foresight to anticipate shocks and promote anticipatory action grounded in local intelligence and data analytics
- Representative governance, built from participating stakeholders
- Flexible technical capacity that can be scaled up or down as needed (e.g. MEAL, advocacy, knowledge management, data processing)
- Partnership process management, facilitation and mediation
- Local, national, regional and global network and design management
- Quantitative and qualitative data capacity to support upward, horizontal and downward accountability and reporting
- Strong relationships with local leadership (community, governmental and private sector)
- Ability to build effective systems for community participation in management to ensure that strategy is decided by the communities, not just reported to them later

Business model

The Alliance Weaver is predominantly funded through membership dues paid by participating organisations. This ensures responsiveness to their constituents and facilitates a direct feedback mechanism. As a service provider, the economic model of the Alliance Weaver is founded on the recognition and valuation of the role that they provided. Where relevant, the Alliance Weaver may also take on direct funding for particular projects (e.g. evaluations, foresight research or policy briefs, management of pooled funds). These could be funded by members or by interested third parties – e.g. governments or donors. In practice, this implies moving away from project-based sub-contracting towards recognition of coordination and platform functions as public goods that deserve dedicated, predictable resourcing.

Strategic value: The role of locally-led coordination is critical for locally-led futures, and Alliance Weavers are essential actors to facilitate these processes by anchoring organisational strategies, defining successes and curating learnings in the perspectives of those closest to the context.

Figure 6. Alliance Weaver archetype



Scenario snapshot:

The Alliance Weaver can be a local or national convenor. They build networks from the ground up in *Aid on Many Paths*. Alternatively, they can serve as a horizontal solidarity organiser in *Patchwork solidarities*, a discreet broker aligning community objectives under geopolitical directives in *Empires of Aid*, or a minimal information/referral hub in *The Great Unravelling*.

Limitations

- a. The civil space available to Alliance Weavers will vary significantly across context.
- b. The ability and willingness of organisations to pay dues into membership organisations could fluctuate.

These limitations underscore that the viability of Alliance Weavers depends not only on their internal design but on whether intermediary and enabling actors are willing to value and fund coordination as a core function, not an overhead.

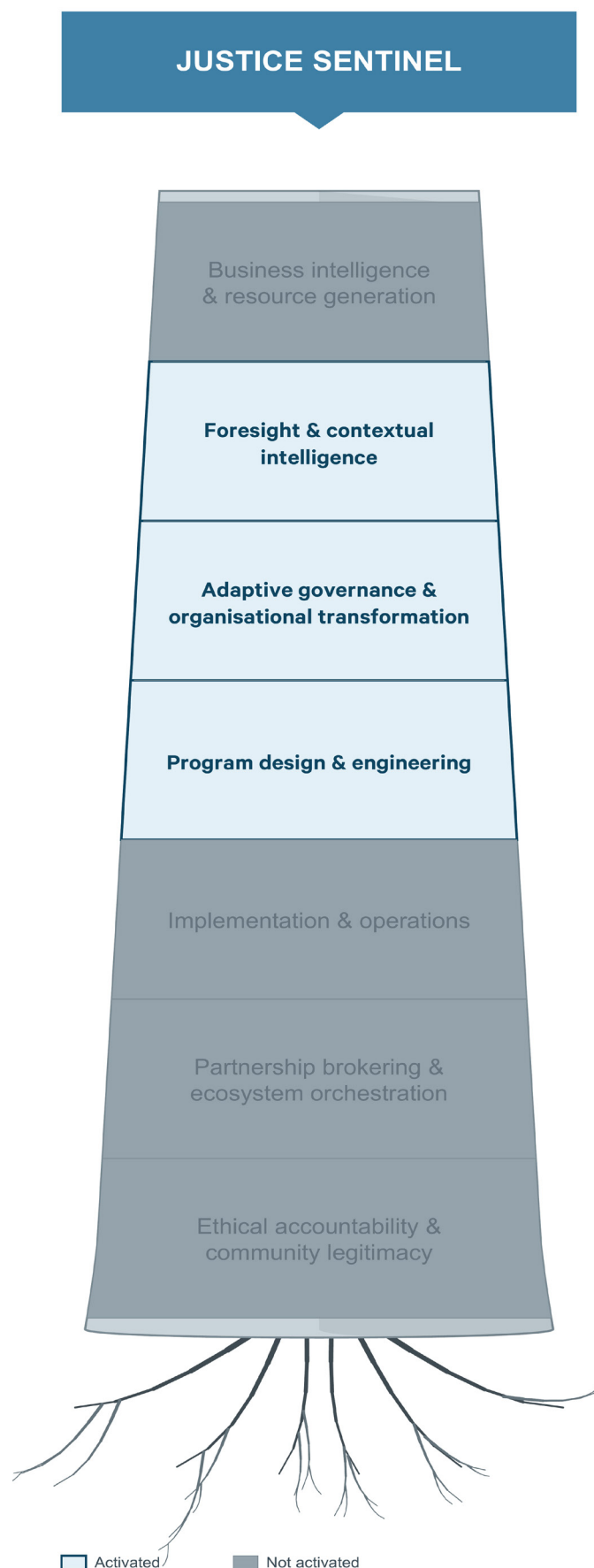
Justice Sentinel

The Justice Sentinel is a guardian of norms and civic space in the ecosystem, a rights-focused actor that anticipates shocks, documents harms, supports legal defence, and invests in norm-shaping and narrative power. Rather than running large service portfolios, the Justice Sentinel functions as a watchdog, amplifier and strategist for rights-based change.

Key competencies required

- Strong links with communities and development of input/feedback systems to ensure work is guided by community priorities,
- Contextual intelligence
- Design capacity to engage in visioning and planning processes focused on creating equitable futures
- Legal expertise to engage in defence of community rights and advance campaigns for greater legal protections (human rights, environmental rights etc.)
- Programme design expertise to support operating actors in the co-design of projects to ensure they are crafted with a rights-based lens
- Specialised research teams and advocates on topics of focus in each area – e.g. systems thinking, human rights, climate justice, trade or debt relief
- Strong links with operating organisations in areas of influence especially local and national governments and private sector

Figure 7. Justice Sentinel archetype



Business model

The business model of the Justice Sentinel brings together different income streams. Some of the work is funded through international or regional fundraising, particularly work of a transnational nature on topics of global concern such as climate justice, environmental protection or migration. A consultancy model also brings in additional income, particularly in taking on legal cases on behalf of communities or private sector clients or supporting the design of programmes or social safety-net initiatives for government and civil society actors.

Strategic value: In the face of eroding international legal frameworks and an increasing restriction on civil and political rights, it was consistently recognized that aid must more regularly adopt rights-based logic and language in a transformed sector. The Justice Sentinel's strategic value lies in its capacity to connect lived experience of rights violations with legal, media and policy arenas. In futures where civic space is shrinking or polarised, this archetype seeks to hold the line and anchor the system in accountability and rights, even when service delivery must adapt.

Scenario snapshot

The Justice Sentinel is a policy interlocutor in *Aid on Many Paths*. Alternatively, it can serve as the backbone for rights-based mutual aid in *Patchwork Solidarities*, a semi-underground watchdog in *Empires of Aid*, or provide thin but vital protection and information network in *The Great Unravelling*.

Limitations

- a. Fewer funders are interested in investing in rights-based work
- b. The inherently political nature of the justice sentinel makes it more likely to be subject to interference when its objectives do not align with those in power (at every level – private sector, government, international)

These limitations are not only organisational; they reflect system-level choices about whose voices are protected or silenced, and whether donors and intermediaries are willing to share political and reputational risk with local rights actors rather than outsourcing it to them.

Community Lifeline

The Community Lifeline is an organisation whose value rests on long-term trust, continuity and proximity rather

than on project cycles or branding providing everyday support to communities before, during and after crises, often blending social services, mutual aid, informal protection and practical problem-solving (CVA, protection, health/psychosocial, disaster risk reduction (DRR)).

Key competencies required

- Resource mobilisation from fundraising, cultivation of local funding capacity and networks
- Revenue generation through social enterprise activities
- Strong legitimacy and accountability to communities, with a commitment to being led by people affected by crises
- Agile governance and focus on organisational flexibility — able to scale up or down depending on levels of need
- Broad base of volunteers
- Strong capacity in logistics and a high degree of expertise in implementation and operations
- Expertise in resilience building, pre-positioning and crisis mitigation activities
- Risk management for staff safety and programme continuity
- Focus on staff well-being including mental health-care

Business model

- The Community Lifeline requires ingenuity to fully fund the scope of programmes that it implements. Resource mobilisation is therefore a critical skill as it leverages funding opportunities at each level (international, national and local); organisations often need to lead on the development of local resource mobilisation systems which is a significant investment of time and human resources. In addition, Community Lifeline actors mitigate fluctuations in funding by establishing its own forms of revenue generation through social enterprise initiatives^{ix} in sectors such as hospitality, responsible manufacturing or agriculture and consulting. These hybrid economic models are intended to strengthen organisational resilience and autonomy, rather than deepen dependency on external project funding. Community Lifeline actors need predictable, modest core support and space to blend diverse income sources (community contributions, small businesses, faith-based giving, local authorities) instead of dependence on volatile, short-term external grants.

Strategic value: Where national/local governments or the private sector either cannot or will not meet the needs of communities, programme implementation by civil society organisations will continue to be critical. Organisations rooted in local ownership, that can work within and reinforce local safety nets and traditional systems of governance and resilience building, will always be best placed to deliver aid especially in slow-burn and recurring crises.

Context snapshot

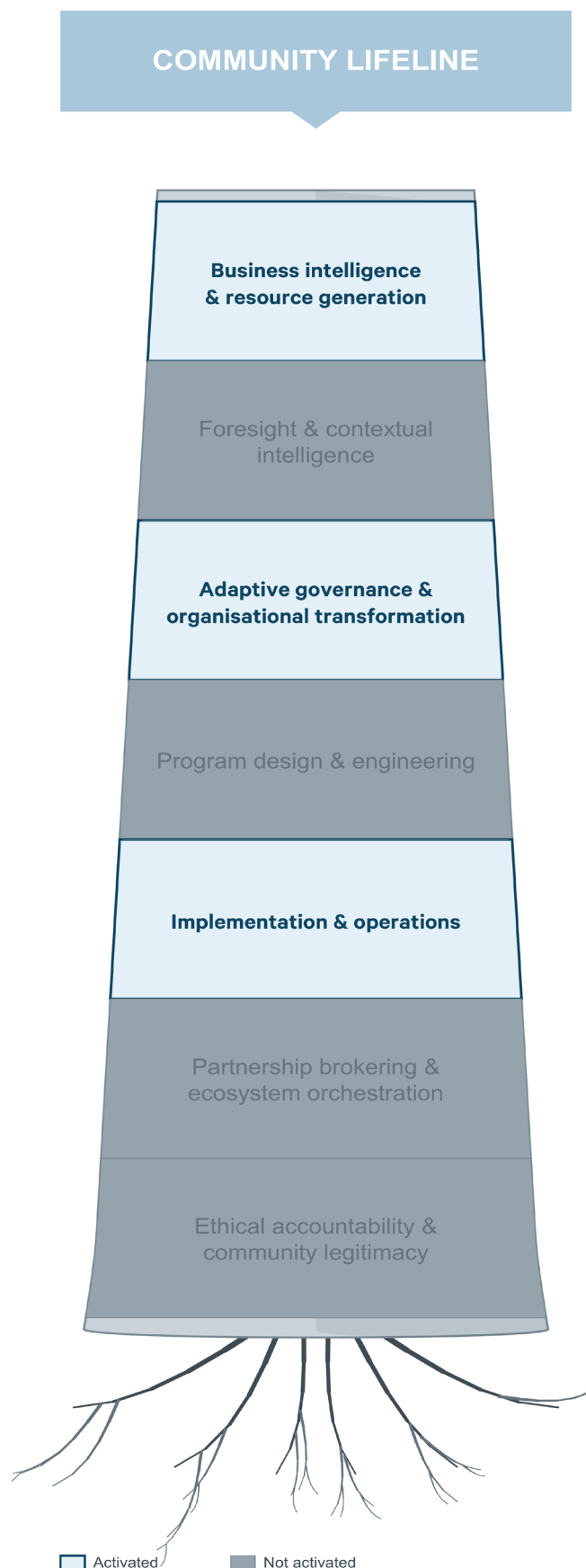
In several scenarios, Community Lifeline actors are often the only organisations able to maintain presence and legitimacy when larger institutions withdraw or are constrained. They can serve as the local leader with the experience and trust to define the agenda in *Aid on Many Paths*, or as a response agent in *Patchwork Solidarities*. They are necessary tolerated/contracted operators in *Empires of Aid*, or the last standing provider and mutual aid supporter in *The Great Unravelling*.

Limitations

- a. Setting up alternative revenue streams takes significant human and financial investments and there will still be some reliance on institutional and private donors
- b. Without support, staff burnout will be a continuing limitation especially in highly volatile contexts where the community lifeline can be operating alone

The archetypes presented above outline potential value chains (the trunk of a competence tree) for different kinds of local actors. They are not designed to be definitive but to provoke thought; many actors may see themselves as a combination of these profiles or indeed as evolving to be a different kind of organisation altogether. A challenge all actors in the aid system face is the need to invest in their own change and transformation. This is particularly difficult for local organisations, to ensure they are “futures fit” while continuing to respond to escalating levels of need with limited, if any, support. Many are managing to meet this impossible challenge – upskilling, innovating and building forward for sustainability. In these tumultuous times, solidarity from intermediary and enabling actors is more important than ever.

Figure 8. Community Lifeline archetype





Intermediary actor archetypes

The Future of Aid 2040 sees intermediary actors as critical shapers of how the aid system functions, not as neutral actors within it. In many ways, intermediary actors occupy a space where reform and transformation have the most potential to radically change how aid works. This potential is enormous but difficult to harness. While many individuals in intermediary actors recognise the need to change and would like to explore how to work differently, institutions are subject to incentives which make channelling this energy into organisational reform exceedingly difficult, as has been evidenced by the difficulties to make significant progress on key localisation commitments to date. Obstacles to change at intermediary level include:

- Well established incentives that promote organisational growth (both financial and geographical) are so embedded into intermediary organisations that breaking from these requires a reformulation of what success looks like at every level. This mindset shift and administrative reorganisation is no small undertaking.
- It's not just business, it's personal. Truly transformational change will likely result in significant shifts in mindsets and organisational culture, staffing numbers, and the kinds of capabilities intermediary actors require. Making changes to a workforce at this scale is incredibly challenging for management (requiring courageous and skilful leadership) as well as the employees whose jobs are affected. This is the inevitable result of the localisation agenda implemented at scale. In spite of the decades-long agreements that this is the desired result, it does not yet seem to be comfortably embraced by most intermediary actors.
- Boards of intermediary actors were flagged as significant obstacles to reform.
 - » Many lack true representation of the communities they seek to serve, resulting in fixed mindsets that prioritise organisational preservation (or even growth) over impact for communities.
 - » Most are highly risk averse and prefer to continue with comfortable ways of working even if it does not achieve the desired results rather than manage the upheaval that comes with fundamental change.
- The boards of intermediary actors tend to be highly sensitive to what they consider to be politically risky initiatives; this undermines the ability of inter-

mediary actors to engage in a more equitable way of working and the transfer of power.

- Many enabling actors continue to support the business-as-usual model (even as they scale down) which means that there is very little pressure on intermediary actors to change. In some instances, enablers are continuing to reinforce systems that ensure intermediary actors are maintained as a lever of influence over local systems (e.g. through legal and financial requirements).

However, despite these obstacles there is still a recognition that intermediary actors have agency. These are significant challenges which make transformation more difficult but not impossible. Many staff within intermediary organisations are committed to meaningful change and harnessing their commitment can be a powerful engine for transformation. Leveraging that with courageous leadership, skilful change management and collective visioning, intermediary actors can reform and continue to play vital roles in the aid sector. The profiles captured here in this report are two visions of what that could look like.

The intermediary profiles shared here were created not just by considering how intermediary organisations see their role in each of the four scenarios, but also by challenging them to understand their value through the lens of communities. Consultations with intermediary actors in Phase 2 of the project asked them to critically reassess their value-add in a system undergoing profound change. The consultations unpacked the roles of different actors, considered how power is held and could be shared, and reassessed what capabilities they need to maintain, right down to their foundations. Each profile is stress-tested for complementarity with the local archetypes identified in the previous section, and includes analysis on where functions should be shared or devolved.

The profiles presented here do not capture the full diversity of viewpoints expressed in discussions. Rather, they summarise the common threads of the thinking from workshops and consultations in Berlin, Jakarta, Addis Ababa and Rome. These profiles are attempts to envision ways that intermediary organisations can move towards complementarity, re-imagining their functions,

partnerships, and business models to creatively support locally-led aid. These profiles may look very different to how most intermediary organisations look today (perhaps especially the UN). However, what the profiles aim to do is to echo and extend calls to embrace a differentiated ecology of intermediaries and actors that “capture the richness and variety of functions and roles beyond the categories of local and international humanitarian action.”^x

Channel Builder

The Channel Builder is a specialist in intermediation that focuses on connecting diverse sources of finance, knowledge and political access to locally-led initiatives rather than a central implementer. By taking on and minimising wherever possible the compliance and reporting burden Channel Builders free more financing to reach local actors for programme implementation and support extending their influence further.

Key competencies

- Diverse resource mapping and mobilisation (including relationship building and maintenance) and income generation where possible
- Co-creation of foresight and anticipatory intelligence, built with local consortia
- Capacities in multi-stakeholder facilitation
- Hub and spoke governance with boards composed of local partners
- Shared management capabilities including legal, auditing and compliance expertise, MEAL capacity for shared reporting
- Advocacy and policy influence
- Narrative and qualitative analytical capabilities for reformed community accountability and legitimacy

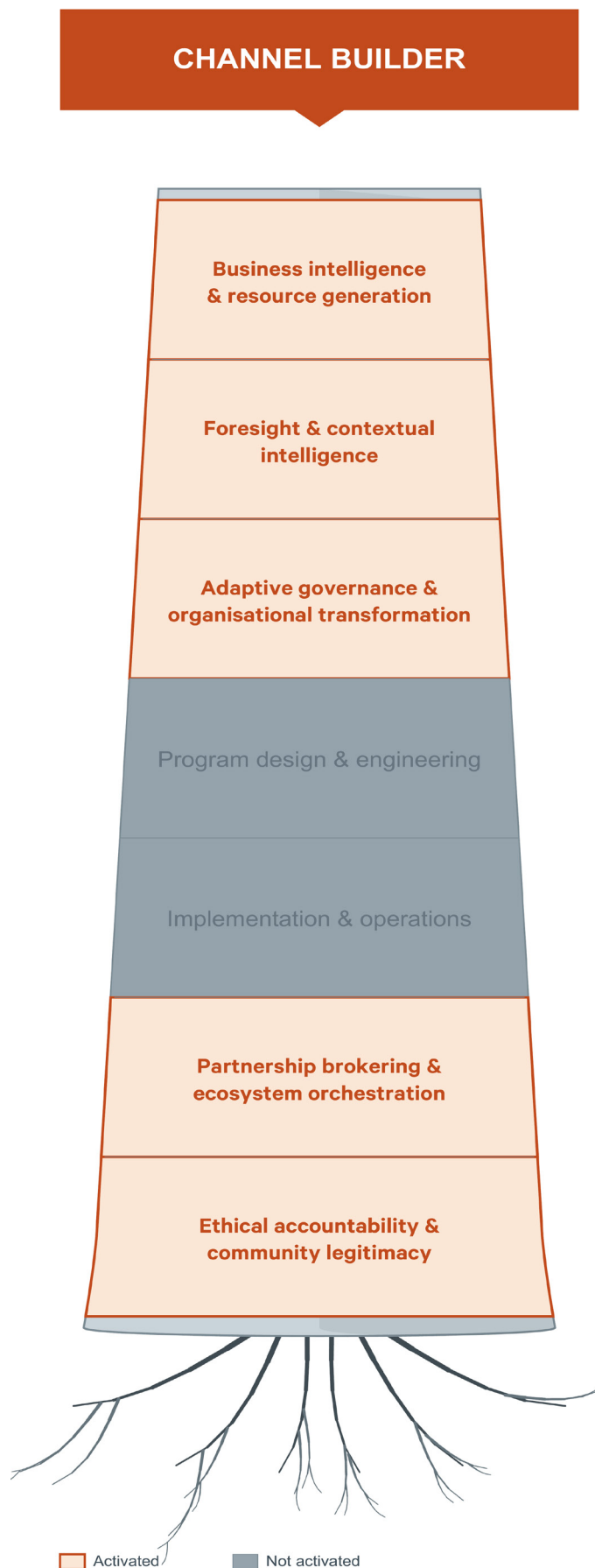
Competencies devolved to local actors

- All programme design
- All technical support
- All project implementation and operations
- All convening power

Business model

A Channel Builder is a conduit for resources. Channel Builders keep staff numbers low to minimise the percentage of the funds that they transmit that they keep for operating costs. The governance model means that local partners have full oversight of the operational costs and

Figure 9. Channel Builder archetype



fees that are taken, ensuring accountability. This implies a shift in funding logic where decision-making authority sits with local actors, and the intermediary is explicitly funded for brokering, accompaniment and stewardship roles.

Strategic value: the Channel Builder's strategic value lies in its ability to absorb complexity and risk. It can use its position to negotiate more flexible, longer-term, and less extractive arrangements with donors, and to protect local partners from volatile political and financial pressures.

Scenario snapshot: the Channel Builder can be an international and regional conveyor of multidonor and faithbased funds in *Aid on Many Paths*; it serves as an agile channel for limited institutional and private finance where it cannot reach local actors in *Patchwork Solidarities*. Channel Builders are politically constrained but partially protected pipelines for international funds in *Empires of Aid* or could provide a lean microgrant and contingency corridor in *The Great Unravelling*.

Complementarity

Channel Builders do not participate in decisions on how money is used but rather invest in freeing up resources from constraints for local actors to implement their priorities. Building genuine partnerships with local actors and following their lead in defining what is needed, Channel Builders perform a critical function to increase the resources available in the system and to amplify requests for what is required to a global audience. In practice, this means that whenever there is a tension between organisational growth and ecosystem health, the Channel Builder's mandate pushes it to privilege the latter; this is a significant departure from the incentives that have historically driven many INGOs.

Limitations

- a. The level of compliance and legal support will vary depending on the sources of financing, running these organisations with minimum staffing levels could be challenging if the burden is still elevated.
- b. Convincing enabling actors to relinquish control on defining how resources are used is critical; where enabling actors place constraints the role of the Channel Builder there will be pressure to step

into a stronger decision-taking position.

- c. 'Mission drift' could lead back toward classic implementing roles when large funding opportunities arise, and/or resistance from legacy governance structures uncomfortable with deliberately shrinking or reshaping the organisation's footprint.

Commons Steward

The Commons Steward is an intermediary that focuses on creating and maintaining shared infrastructures for the ecosystem, rather than running standalone projects. Some examples of this are pooled funds, learning platforms, joint MEAL systems, data commons, or protection mechanisms. Its work is often invisible to the public but essential for enabling many different local actors to collaborate, learn and hold each other to account.

Key competencies

- Foresight and collaborative futures
- Knowledge management and accessible data systems
- Cyber security
- Membership controlled, governance led by local partners
- Subject matter expertise in critical transnational areas (e.g. international humanitarian and human rights law, DRR and anticipatory action, climate change mitigation and adaptation, water management, conflict resolution, migration, logistics and supply chains)
- Facilitation of peer exchanges amongst partners and co-creation
- Collaborative leadership and mutual accountability

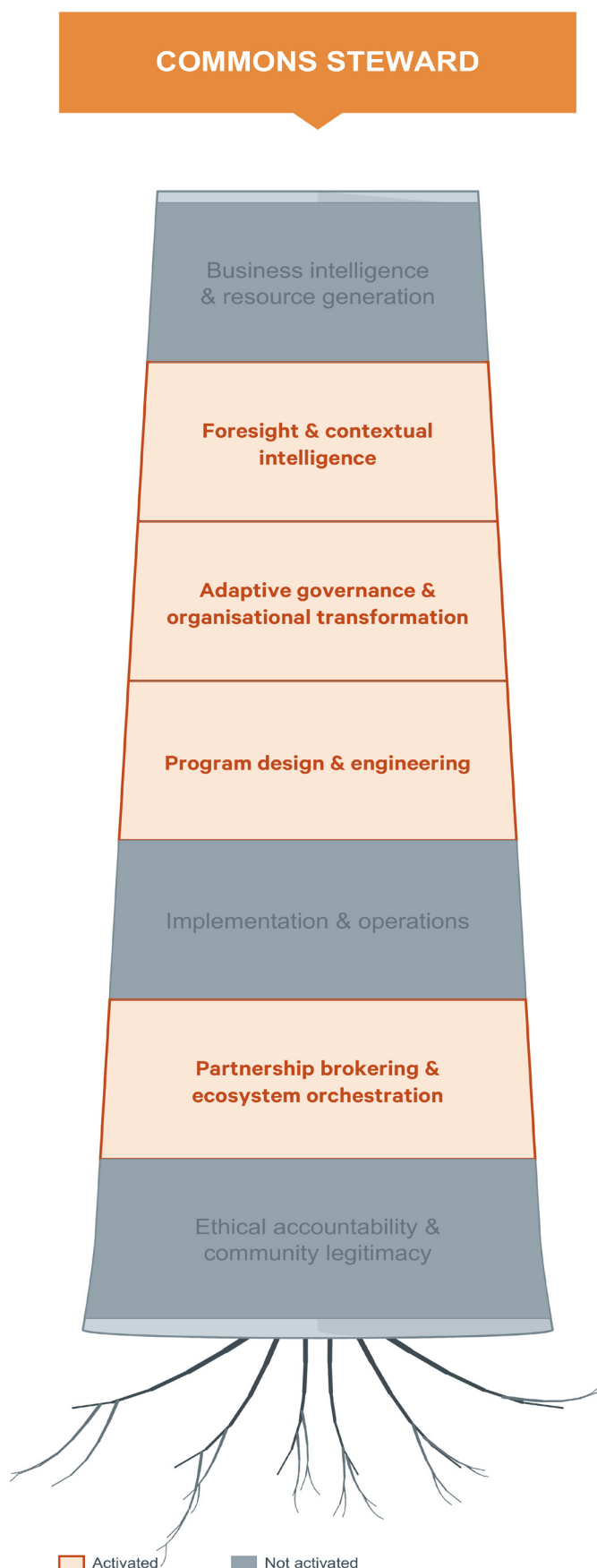
Competencies devolved to local actors

- Resource mobilisation
- All project implementation and operations
- All upward and downward accountability (horizontal accountability to partners is retained)

Business model

The Commons Steward provides a service to other actors in the sector. The business model could include some funded projects but would predominantly be driven by fees paid from other aid actors that see the value in the shared platforms. With less financing to intermediary actors directly, local actors and enablers support where they see the added value to their work. Sustaining

Figure 10. Commons Steward archetype



this archetype requires funders to recognise ‘commons work’— coordination, shared infrastructures, long-term accompaniment — as a core deliverable in its own right, not as an overhead to be minimised.

Strategic Value: strategically, the Commons Steward can help reduce duplication, transaction costs and competition by providing spaces and tools for joint prioritisation, evidence generation and reflection.

Scenario Snapshot: Commons Stewards are co-anchors for regional (and sometimes international) shared norms and joint learning in *Aid on Many Paths*. They offer ultra-light, remixable tools and learning spaces for alliances and mutual aid networks in *Patchwork Solidarities*. They can preserve ethical baselines and discreet reflection circles under politicised metrics in *Empires of Aid*; lastly, they can serve as an archival and connective hub for protective knowledge and peer support in *The Great Unravelling*.

Complementarity

The Commons Steward recognises their value in providing shared spaces under shared governance. It is essential that they understand their value sits within the network that they serve. Their focus is on transnational challenges and they emphasise sharing learning in multiple mediums, not enforcing standardisation. They embrace complexity as critical to how they reinforce rather than overwhelm local leadership. For local actors, the value of the Commons Steward lies in its ability to host platforms under governance arrangements where local groups retain meaningful voice and control, rather than being folded into externally driven consortium structures.

Limitations

- The willingness to pay for common goods is consistently unreliable; many wish to take advantage of shared spaces and knowledge without covering the cost of maintaining such systems.
- Agreement on the strategic direction of shared spaces under member-governed systems could be contentious where resources are limited. Commons Stewards may become captured by a single powerful actor if governance is not carefully calibrated.

The Channel Builder and Commons Steward recognise

that there is space for international solidarity in every future; it is clear that the complexity of the challenges facing humanity and the globalised nature of our world cannot be easily managed by any state or national civil society network alone. However, these two profiles are propositions that reflect that shared governance and respect for local institutions cannot be negotiated away in a transformed aid system. Embracing the richness of a future with diversified governance and systems of locally-led decision making will not be easy, but it is necessary.

There are two different paths towards a transformed aid sector (or preferably a post-aid world) – changing the organisations that already exist and the relationships between them, or enabling new actors and systems of community support which are not currently considered to be under the umbrella of aid. Both of these avenues should be embraced and pursued with urgency, given the scale of global challenges facing vulnerable commu-

nities. The profiles proposed above seek to represent archetypes of the kinds of organisations that will continue to have value in an uncertain future. Their roles could be fulfilled by actors already in the aid space, or taken on by new structures. In many instances, transforming something that already exists is more difficult than building something new; however, with a sustained commitment to change and courageous leadership, a lot may be possible.

If transformation is to be more than rhetoric, those that hold power in the system today will have to use it differently. This means committing to reforms that may reduce their own centrality, while actively expanding the space for community-led responses, civic mutual aid and other practices that do not fit neatly within traditional definitions of “aid”. Their willingness and ability to do that is influenced by the environment in which they work.

Enabling actors

In the Future of Aid 2040, enabling actors are defined as those that shape norms, frame crises, define metrics of success, and enable (or constrain) others through financial, technological, technical, and/or political power. This group encompasses a wide variety of actors with different structures, ways of working and motivations, including states, bilateral and multilateral donors, development banks, philanthropic foundations, corporate funders and standard-setters. Understanding how they see their role, what challenges they face in promoting transformation and how they are (or are not) using their leverage to change the system is critical for all actors in the aid space.

Discussions on incentives in the aid sector often focus on the incentives that donors create for other actors through how they allocate financial resources and power (see the section above introducing the intermediary profiles). However, in order to understand those incentives, it is necessary to acknowledge that in every funding organisation, employees have an incentive structure to which they respond as well. It is rare that staff within a funding organisation have full autonomy to design the

strategy or at least can do so without considering the overall direction set by their governing body (be this a government or their board). In many cases, staff are rewarded or punished according to how well they align with the political, legal and reputational constraints of these governing bodies. Therefore, if the enablers currently working in the aid sector want to play a role in advancing towards a post-aid future, a change of mindset needs to occur at the highest level of these institutions, where the greatest latitude to shift direction exists.

Challenges for enabling actors to invest in transformation

Enabling actors are subject to the same geopolitical trends as all other actors in the aid system. They are experiencing increasing fragmentation, instability and a fear of retribution if they are seen to be pushing back against political authority and prevailing public opinion. These factors are driving decision-making for many major donors. Under these conditions, the safest option is often to maintain business-as-usual funding patterns, even when leaders acknowledge in principle that these

patterns block the transformations they claim to want. Aid is inherently political; that is clear. It is painfully evident that performative statements about localising funds are much more common than actions in that direction. The debate in 2025-2026 around UN pooled funds is one clear example. Though concentrating funding through UN pooled funds was billed as a step towards localisation, the way the \$2bn the United States contributed was used in 2025/2026 demonstrates that this is not the reality; 98% of US funding was allocated to UN agencies and INGOs, with only 2% for local organisations.^{xi}

For OECD Development Assistance Committee (DAC) donors, many are seeing a reframing of their work through the lens of national interests as defined by political actors, and a continuing strong push towards cost-effectiveness. As departments of a government, institutional donors operate within the parameters dictated by the political and legal system in which they are housed. This can constrain their ability to change their ways of working significantly, even where there is a willingness among staff to do so. Practical challenges such as high levels of staff turnover and a reduction in overall staffing levels disincentivise staff to try and work differently; there is more safety and ease in sticking with a business-as-usual approach (at least in the short-term). Pursuing transformational initiatives are also perceived as too big a risk in a time when aid spending is under severe scrutiny and at risk of being cut further. In this context, the drive to deliver short-term results and attributable outputs often overwhelms arguments for investments in long-term local infrastructure, anticipatory action and systems change, even when these would be more effective in 2040 risk environments. The scale of change that has been imposed in some quarters makes it challenging to absorb any further transformation.

Non-DAC donors contribute significantly to aid funding, especially through the lens of “South-South solidarity, mutual benefit, and noninterference”.^{xii} While non-DAC donors had tended to prioritise spending in their own neighbourhoods, they are increasingly turning towards a more global outlook.^{xiii} For non-DAC institutional donors, the political dynamics they respond to can differ

between contexts. However, they reinforce similar patterns that are seen in DAC donor countries too: aid is increasingly proximate to foreign policy, soft power and commercial strategies.^{xiv} This makes it harder to support forms of solidarity that are explicitly rights-based, locally-led or politically uncomfortable.

In private philanthropy, the dynamics are slightly different but can result in many of the same outcomes. In a global study, conservative boards in philanthropies were listed as the biggest risk to philanthropy along with “short-termism of philanthropic engagement, risk aversion, power imbalance, over-emphasis on strategy over impact, restricted funding practices, and focus on technical issues rather than cultural change”^{xv} as additional risks to success. Private philanthropy is affected by the political contexts where key decision-makers are based, and they can fear retribution or exclusion for moving against the political headwinds. This can be so extreme that some funding organisations (led by families or corporations) self-censor and retreat from investments and conversations they perceive as being risky. This is the case even where the potential sanctions have never manifested, as it could affect their other political or business interests.

In order for recommendations for change to be credible, it is necessary to acknowledge the context in which they need to be implemented. Encouraging existing aid donors to fund locally or take greater risks in an increasingly conservative environment is unlikely to be fruitful unless there is a strategy to shift the broader conversation, narrative and culture around giving. At the same time, there are examples that enabling actors do have room to manoeuvre, even at the margins of current systems. This is especially true when they learn from new funding approaches and reconsider how they measure impact and success in ways that better drive true transformation towards a post-aid environment. Existing aid donors must seek out these opportunities and continue to strive for reform wherever they can.

Opportunities to promote transformation

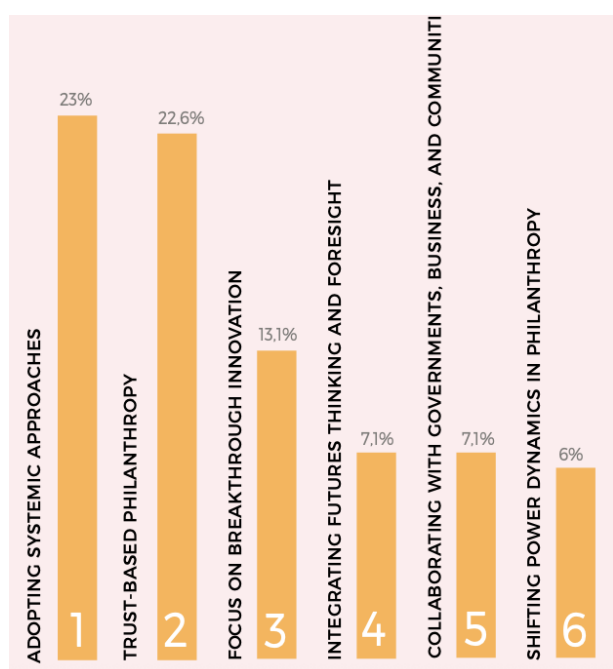
For existing aid donors there are opportunities for supporting transformation both from institutional donors and from private philanthropic organisations. Some of these include:

- **Incentive systems are very entrenched but they can be changed:** several actors in private philanthropy are taking a more systemic approach – supporting actors over projects and investing in systemic changes.^{xvi} As this approach continues to demonstrate its increased impact, it could be a growing area of aid financing as lessons are shared.
- **Embrace triangular cooperation:** build from the body of evidence supporting “southern driven partnerships” supported by a DAC donor as a vehicle to localise funds more effectively.^{xvii}
- **Capitalise on donor desires to spend less money:** In an era of fiscal pressure, there is a political interest in “doing more with less”. However, being realistic, it is rarely possible to achieve significantly more with fewer resources. Enabling actors can reframe this thinking and pursue strategies to invest in supporting local organisations to establish local sustainable aid financing (either by building

upon the local resource base or through developing capacity in social enterprise). At the same time, enabling actors can promote blended financing models so that aid organisations can do more with more.

- **Promote a shift in philanthropy:** Though some philanthropic actors do not feel they have the space to speak out on political issues, many reported receiving increasing amounts of privately donated unrestricted funds. This gives them great capacity to fund what others do not want to. It also has the potential to change the way funds are dispersed and move towards more trust-based philanthropy which has the potential to fundamentally change the relationship between enabling and intermediate actors. (See Figure 11. Future opportunities for philanthropy^{xviii})
- **Faith-based funding:** Faith-based networks already mobilise vast resources for solidarity and welfare in many contexts; partnering with conveyors of locally governed pooled funds and community-led responses can expand the space for pluralistic, value-driven giving beyond formal aid channels.
- **Embrace a post-aid lens** that views international aid funding through the lens of reparations and change the fundamentals of the debate.

Figure 11. Future opportunities for philanthropy



The list of opportunities in Figure 11. is not exhaustive and many may feel hard to grasp, but there is potential for each of these to contribute towards sector transformation in substantial ways. In addition to thinking on how aid system enablers could act differently and change the incentive structure of the aid sector, we must also recognise that there is even greater potential in “informal community self-help, local civil society, faith groups, diaspora networks, private sector initiatives and social enterprises.”^{xix} The misperception that giving flows only move from the privileged to the disadvantaged belies the reality of what communities see every day; examples include giving circles such as the ones set up in Brazil and peer to peer support in Kenya.^{xx} Through all conversations about how to generate resources for aid we must continually return to the question of who the money is being raised for, and what is the most effective way to support these communities. Without this lens it is easy to be lured into taking funds that could be better spent by someone else.

Taking steps together

 | Pleasing [the] donor always wins.”
*Female participant, United Kingdom,
 International NGO*

Intermediary actors also need to rethink how they engage with enabling actors. Where there are opportunities for increased flexibility from the donor side, many intermediary actors are not set up to take advantage of this, preferring for their own risk-management to stay within the confines of a business-as-usual approach. Intermediary actors need to be prepared to take risks when they are offered and understand that localisation does not mean more funds for everyone, but more for local actors (and less for intermediaries). This includes re-negotiating overheads, investing in their own transition plans, and presenting donors with credible, locally co-designed alternatives rather than expecting there to ever be perfect conditions to cede power. Progress towards localising aid can be effectively stalled if these actors wait for the majority of donors to change how they are funding the system.

There are spaces where intermediary actors have showed leadership and continue to do so, with many faith-based organisations leading the way.^{xxi} If the relationship between enabling actors and intermediary and local organisations is to shift, then implementing organisations need to be less eager to pursue funding under any conditions and be more willing to challenge or at least try to negotiate with donors to fund aid in a more effective way.

This is not and cannot be a one-way street, where intermediary actors wait for enablers to force them to change. In the near to medium term political environment, many of the largest donors are unlikely to shift, and the international system is losing credibility. The opportunity to work differently diminishes with every year that goes by and progress is kept at the margins.

Near-term recommendations for enabling actors

1. Move towards trust-based financing and reframe relationships between enabling actors and intermediary, local organisations and communities as equal partners engaging in shared decision-making
 - a. Supporting local partners is a long-term investment not a short-term project; financing needs to be flexible and respond to evolving organisational and contextual needs
 - a. Ensure that funding flows from values — be intentional about ways of working and resource decisions to ensure that human rights and inclusion are promoted not inadvertently denigrated by your decisions
 - a. Develop and fund tools that allow people affected by crises to be decision-makers in aid and create space for them to define how resources should be used. Structure systems where aid organisations must answer directly to the community.
2. Invest in building the giving space; this will mean funding systems that streamline giving and integrate it more seamlessly into daily life. This would grow a new generation of individual donors beyond emergency moments and single-issue campaigns.^{xxii}
3. Use place-based approaches to financing, such as convening coalitions of implicated stakeholders (governments, private sector, social enterprises) to come together and resource solutions. This should be supported by but not driven by international partners where necessary and with governance anchored in locally-led structures.
4. Learn from organisations in the aid space who are already successfully integrating social enterprise into their broader resource mobilisation, and support other local and intermediary actors to make this shift to more sustainable financing and solidarity-economy models.
5. Network with enabling actors embracing new ways of working to learn from success and demonstrate the potential for increased efficiency and impact – board members listen to their peers! Use these examples deliberately in conversations with boards, parliaments and oversight bodies to expand the perceived “acceptable” space for risk-taking and devolution.

Long-term recommendations for enabling actors

1. Shift from funding projects to funding systems change: build a culture of multi-year, unrestricted financing, as increasing donor's patience for returns takes time. Reorient evaluation and oversight frameworks so that success is judged by long-term changes in community, such as resilience, power distribution and ecosystem health, not only by annual output indicators.
2. Focus and invest in accelerating the transition towards a post-aid paradigm, understood here as a long-term shift towards locally organised, financed and governed systems of response, with international and other external actors in clearly bounded, subsidiary roles. For example:
 - a. Commission and fund transition audits that map where power, resources and decision-making currently sit, versus where a post-aid architecture would require them to be, and make these audits public.
 - b. Set explicit, time-bound targets for devolution of governance authority (not just financial sub-granting) to local actors, with progress reported to communities, not only to boards.
3. Consider how to enable systems of community support that exist outside the aid system, including by giving directly to people in need.
4. Support diversification of local and intermediary actors' economic models and accelerate the transition towards resource-generation strategies that reduce structural dependency on enabling actors. This includes backing social enterprise, community finance and domestic resource mobilisation where these strengthen autonomy rather than reproducing extractive, project-based logics.
5. Embrace being political: take a leading role in changing public opinion on local and international solidarity and giving. Don't shy away from the difficult conversations about racism and colonial legacies or who defines national interest.
6. Fund the transition, not just the end state: create dedicated, time-bound transition facilities that cover the political, organisational and human costs of moving from today's architectures towards locally-led ecosystems. For example, paying for merger processes, staff retraining, and asset transfers will incentivise change by covering the costs of the extra labour required to transform.



Conclusion

This report endeavours to capture visions of different kinds of civil society organisations that would be effective actors across multiple future contexts. The very core of these ideas is that the future needs to be one defined by plurality, respect and collaboration; not all organisations will look the same, be governed by the same norms or speak the same language, but leveraging these differences is where greater impact can be found. This is true of working with actors under the broad umbrella cast by the wide definition of aid used here, as well as with those that sit outside of it. It is essential to pushback against the incentives that reward competition over collaboration, growth over complementarity, if we are to craft a future in which each actor occupies the place where they add the most value.

Intermediary and enabling actors in the sector did not make significant advances towards locally-led aid when the aid budget was growing. Now that severe resource constraints are the new norm there is even more resistance to relinquishing power and financial resources. “Ultimately, this moment lays bare a hard truth: for many INGOs, localisation is still a conditional commitment - visible in policy but not yet embedded in institutional practice. If localisation cannot hold in times of crisis, then it was never a shared principle.”^{xxiii} Moving beyond localisation to a genuinely post-aid vision cannot be reached through programme reform alone; it requires reconfiguring economic models so that locally-led organisations have predictable, flexible resources under their own governance; intermediaries derive their legitimacy from enabling this autonomy rather than managing dependency. In the end, this change is not finished until the at-risk and crises-affected communities have real power over the programmes that help them. They should not just be invited to meetings to listen; they should be the ones leading the work.

This is a moment for the intermediary actors and enablers to demonstrate that their commitments to locally-led aid are not for show. Transferring power, devol-

ving control over resources and accepting institutional de-growth are not marginal cases; they are the test of whether those commitments are real. Disruptions in the aid sector are ongoing, and every actor in this space, but especially those at intermediary level, need to leverage this uncertainty to push for progress, not retreat into the safety of old ways of working. It is past time to accept that locally-led aid is not optional or experimental; it is the organising principle for any aid system that claims to be just, effective and fit for the future.

This report is not the end of a project but hopefully the beginning of many. We invite organisations to use the Pathways to Transformation (P2T) guide in parallel with this report to:

- a. Do a stock-taking of their leadership capacity (including whether boards and senior teams are willing to trade institutional comfort for systemic impact – leadership courage is non-negotiable for transformation!)
- b. Build their own competence tree, mapping their current identity and capabilities against the shared value chain and explore how that might need to change over the coming 15 years
- c. Commit to 2–3 priority shifts over the next 3–5 years to kick-start their journey to thinking and working differently and make these shifts visible and accountable to the communities they serve.
- d. Consider how to work with partners in a more genuine and strategic way, moving from subcontracting toward alliances based on subsidiarity, complementarity and shared governance.

The question is no longer whether the system will change, but whether each organisation will choose to be a catalyst of change, or an obstacle to it. Every actor in the aid system has a responsibility to critically interrogate what value they bring to communities and actively pursue transformation in the ways they work to move us to a post-aid world.

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