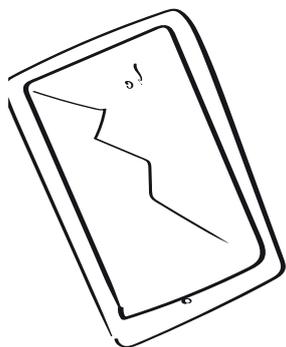


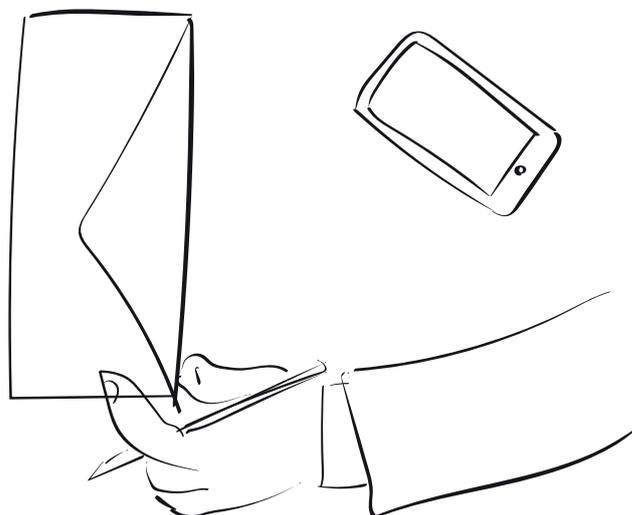
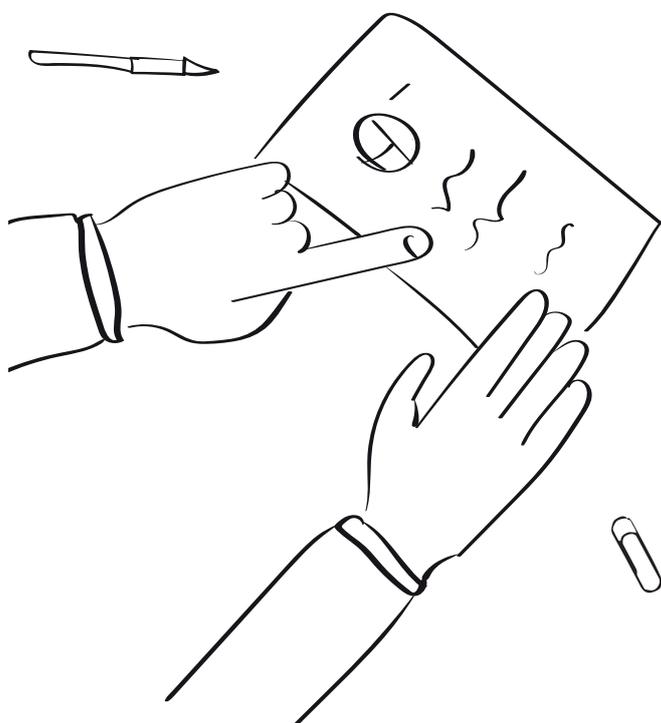
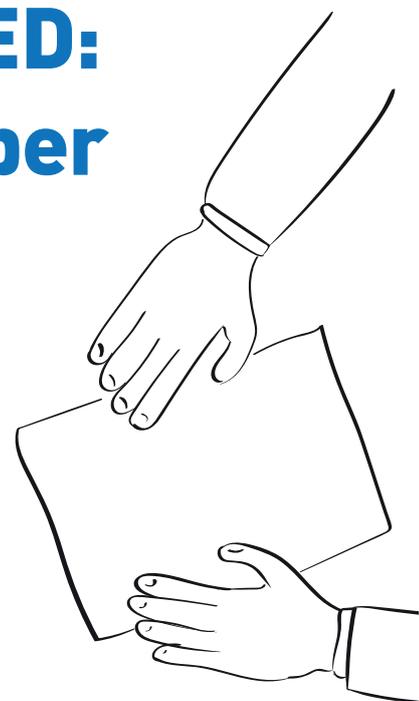


# THE GRAND BARGAIN EXPLAINED: An ICVA briefing paper

March 2017



A GLOBAL NGO NETWORK  
FOR PRINCIPLED AND EFFECTIVE  
HUMANITARIAN ACTION



What is the Grand Bargain?

Why was it created?

What does it hope to achieve?

What are the Grand Bargain work streams and how can I participate?

**ICVA, a global network of humanitarian NGOs dedicated to principled and effective humanitarian action**, has created this **Grand Bargain briefing paper** to support NGOs (and all humanitarian actors) better understand and engage in the Grand Bargain. This briefing paper forms part of ICVA's humanitarian financing learning stream.

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# THE ORIGINS OF THE GRAND BARGAIN

**The humanitarian financing gap continues to rise.** In 2015, when **OCHA put the total funding requirements at \$19.8 billion, only \$10.9 billion was provided by donors, leaving a 45% shortfall.** The previous UN Secretary-General Ban Ki-Moon acknowledged this gap, and building on discussions with the then High Commissioner for Refugees (now Secretary General) António Guterres and the then Emergency Relief Coordinator Valerie Amos, in January 2015 announced the creation of a “High-Level Panel”. The purpose of the Panel was [“to consider new ways and opportunities to address the funding gap.”](#)

High Level Panel members were announced in May 2015 and were well regarded, influential individuals from diverse backgrounds. The co-chairs included Kristalina Georgieva, the then Vice President for Budget and Human Resources in the European Commission, and Sultan Nazrin Shah, the Ruler of Perak in Malaysia. Review the full list of **Panel Members in Annex I.**

In January 2016, the Panel launched its report called [“Too important to fail – addressing the humanitarian financing gap.”](#) The report, categorised into three chapters, introduced the concept of the now-famous “Grand Bargain”: **(See Annex II for the full set of recommendations)**

- 1. Shrink the needs: A shared responsibility**
- 2. Deepen and broaden the resource base for humanitarian action**
- 3. Improve delivery: A Grand Bargain on efficiency**

The underlying logic behind the Grand Bargain is that if donors and agencies each make changes (e.g. if donors reduce earmarking and agencies are more transparent with how funds are spent), aid delivery would become more efficient, freeing up human and financial resources for the direct benefit of affected populations. It was hoped that efficiency gains would yield \$1 billion in savings. It is important to note the Grand Bargain was not intended to replace action to address the larger funding gap, as outlined by the report’s first two chapters.

# NEGOTIATING THE GRAND BARGAIN

The original vision of the Grand Bargain was to negotiate a deal between the 5 largest donors and 6 largest UN agencies, particularly to help address the “trust deficit”.

After this deal was proposed, ICVA sent a letter to Kristalina Georgieva urging her to acknowledge that as NGOs are on the frontlines implementing aid, they should be included in the negotiations. In February, she announced three NGO consortia (ICVA, InterAction and the Steering Committee for Humanitarian Response [SCHR]) would be included in the negotiations, in addition to the IFRC, the ICRC and a broader range of donors and agencies.



## The “Sherpas”

The “Sherpas” — or negotiators — of the Grand Bargain, were representatives of the agencies involved in the Grand Bargain negotiations. Meeting on four occasions between February and May 2016 (meeting reports can be found [here](#) [bottom of page]), the Sherpas developed various commitments which were categorised into 10 work streams.

Donors		Agencies	
1. Australia	9. Norway	16. FAO	24. UNDP
2. Belgium	10. Sweden	17. ICRC	25. UNHCR
3. Canada	11. Switzerland	18. ICVA	26. UNICEF
4. Denmark	12. Turkey	19. IFRC	27. UNRWA
5. ECHO	13. UAE	20. InterAction	28. WFP
6. Germany	14. UK	21. IOM	29. WHO
7. Japan	15. U.S.	22. OCHA	30. World Bank
8. Netherlands		23. SCHR	

The Grand Bargain was **officially launched during the World Humanitarian Summit in May 2016.**

Not all negotiators (Sherpas) initially signed the Bargain: (Turkey and the UAE), whilst WHO had to first consult its member states. Other actors that had not engaged in the negotiations, including Bulgaria, the Czech Republic, Italy, Luxembourg, Poland, UNFPA, and UN Women, signed the Grand Bargain before its launch at the WHS.



Co-conveners during Grand Bargain <u>Negotiations</u>	Donors	Agencies
<ol style="list-style-type: none"> <li>1. Transparency</li> <li>2. Frontline responders</li> <li>3. Cash-based programming</li> <li>4. Reduce management costs</li> <li>5. More joint and impartial needs assessments</li> <li>6. Participation Revolution</li> <li>7. More multi-year humanitarian funding</li> <li>8. Less earmarks</li> <li>9. Harmonized/simplified reporting requirements</li> <li>10. Strengthening engagement between humanitarian and development actors</li> </ol>	<ul style="list-style-type: none"> <li>Netherlands</li> <li>Switzerland</li> <li>UK</li> <li>Japan</li> <li>ECHO</li> <li>—</li> <li>US</li> <li>Sweden</li> <li>Germany</li> <li>Denmark</li> </ul>	<ul style="list-style-type: none"> <li>World Bank</li> <li>IFRC</li> <li>WFP</li> <li>UNHCR</li> <li>OCHA</li> <li>UNICEF</li> <li>FAO</li> <li>ICRC</li> <li>ICVA</li> <li>UNDP</li> </ul>

## IMPLEMENTING THE GRAND BARGAIN

The Grand Bargain [Shared Commitments document](#) includes 51 commitments categorised within 10 work streams. This guide provides a summary of each work stream, the corresponding commitments and useful contacts. Commitments 'highlighted in orange' represent those closely followed by ICVA and NGOs.

Co-conveners during Grand Bargain <u>Implementation</u>	Donors	Agencies
<ol style="list-style-type: none"> <li>1. Transparency</li> <li>2. Frontline responders</li> <li>3. Cash-based programming</li> <li>4. Reduce management costs</li> <li>5. More joint and impartial needs assessments</li> <li>6. Participation Revolution</li> <li>7. More multi-year humanitarian funding</li> <li>8. Less earmarks</li> <li>9. Harmonized/simplified reporting requirements</li> <li>10. Strengthening engagement between humanitarian and development actors</li> </ol>	<ul style="list-style-type: none"> <li>Netherlands</li> <li>Switzerland</li> <li>UK</li> <li>Japan</li> <li>ECHO</li> <li>US</li> <li>Canada</li> <li>Sweden</li> <li>Germany</li> <li>Denmark</li> </ul>	<ul style="list-style-type: none"> <li>World Bank</li> <li>IFRC</li> <li>WFP</li> <li>UNHCR</li> <li>OCHA</li> <li>SCHR</li> <li>UNICEF</li> <li>ICRC</li> <li>ICVA</li> <li>UNDP</li> </ul>

# 1. TRANSPARENCY

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. Publish timely, transparent, harmonized and open high-quality data on humanitarian funding within two years of the World Humanitarian Summit in Istanbul. **We consider IATI to provide a basis for the purpose of a common standard.**
2. Make use of appropriate data analysis, explaining the distinctiveness of activities, organisations, environments and circumstances (for example, protection, conflict-zones).
3. Improve the digital platform and engage with the open-data standard community to help ensure:
  - accountability of donors and responders with open data for retrieval and analysis;
  - improvements in decision-making, based upon the best possible information;
  - **a reduced workload over time as a result of donors accepting common standard data for some reporting purposes;** and
  - traceability of donors' funding throughout the transaction chain as far as the final responders and, where feasible, affected people.
4. **Support the capacity of all partners to access and publish data.**

Co-convenors: The World Bank and the Netherlands

Helpful contact: Charlotte Lattimer, Development Initiatives [Charlotte.Lattimer@devinit.org](mailto:Charlotte.Lattimer@devinit.org)

## What's happening?

- **The Netherlands has partnered with Development Initiatives (DI) to carry out a baseline study,** detailing which organizations report to the International Aid Transparency Initiative (IATI) and what challenges organizations are facing in this process. The Netherlands and DI will reach out to all Grand Bargain signatories and other interested stakeholders to **conduct surveys, identify and analyze any existing gaps.** A report summarizing the findings will be released by the end of May 2017, in time for the annual Grand Bargain meeting in June 2017 (just before ECOSOC). The challenges identified will feed into the discussion on next steps.
- The IASC's **Humanitarian Financing Task Team (HFTT) is producing guidance** related to the linkages between IATI and the Financial Tracking Service.

## How you can get involved:

- Learn more about the IATI data standard at <http://iatistandard.org/>
- **DI and IATI are holding a series of webinars:** An initial webinar (23 February 2017) providing an introduction to the IATI data standard in the humanitarian context; and a consecutive webinar (2 March 2017) looking at "Getting started: A guide to publishing humanitarian data to the IATI data standard." Links to recordings of these webinars will hopefully be shared in the coming weeks.
- **ICVA and DI are organizing a workshop on 29 March, on the margins of ICVA's 2017 annual conference.**

## ICVA's take:

- **This commitment encourages aid agencies to report to the [IATI data standard](#) — a technical publishing framework allowing data to be compared.**
- ICVA has asked for the **IATI data standard to be considered alongside other relevant Grand Bargain commitments, particularly** related to harmonized and simplified reporting, and has sought clarification regarding the use of the Financial Tracking Service as a platform for reporting.
- ICVA has **emphasized the importance of commitments by donors to accept IATI-standard information in lieu of other reporting,** and to support the capacity of partners to learn about and adopt the standard.

## 2. NATIONAL AND LOCAL RESPONDERS (LOCALISATION)

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. **Increase and support multi-year investment in the institutional capacities of local and national responders**, including preparedness, response and coordination capacities, especially in fragile contexts and where communities are vulnerable to armed conflicts, disasters, recurrent outbreaks and the effects of climate change. We should achieve this through collaboration with development partners and **incorporate capacity strengthening in partnership agreements**.
2. Understand better and work to **remove or reduce barriers that prevent organisations and donors from partnering with local and national responders** in order to lessen their administrative burden.
3. Support and complement national coordination mechanisms where they exist **and include local and national responders in international coordination mechanisms** as appropriate and in keeping with humanitarian principles.
4. **Achieve by 2020 a global, aggregated target of at least 25 per cent of humanitarian funding to local and national responders as directly as possible** to improve outcomes for affected people and reduce transactional costs.
5. Develop, with the Inter-Agency Standing Committee (IASC), and apply a **'localisation' marker** to measure direct and indirect funding to local and national responders.
6. Make greater use of funding tools which increase and improve assistance delivered by local and national responders, such as **UN-led country-based pooled funds (CBPF), IFRC Disaster Relief Emergency Fund (DREF) and NGO-led and other pooled funds**.

Co-convenors: IFRC and Switzerland

Helpful contacts: Anne Street, CAFOD, [astreet@cafod.org.uk](mailto:astreet@cafod.org.uk);  
Ajay Madiwale, IFRC, [ajay.madiwale@ifrc.org](mailto:ajay.madiwale@ifrc.org)

### What's happening?

- Efforts to date (February 2017) in this work stream were primarily focused on commitment **#5: developing a localisation "marker."** An "IASC plus" group of agencies and donors have met monthly, exploring options to develop the marker.
- The **IFRC and Switzerland held a workshop for Grand Bargain signatories** to take forward the work stream in late February 2017 that looked at all six commitments.

### How to get involved?

- ICVA members have already been contributing to this work stream, including by providing feedback on the localisation marker definitions paper. They can engage through **ICVA's Humanitarian Financing Working Group** and/or the IASC Humanitarian Financing Task Team.
- **Oxfam Great Britain co-chairs with OCHA's Funding Coordination Section, the OCHA-NGO platform of Country Based Pooled Funds.**
- In early 2017, an open call will be issued seeking NGOs to participate in the Pooled Fund Working Group.

### ICVA's take:

- ICVA considers this **work-stream to be one of the most important of the Grand Bargain.**
- As of February 2017, the **development of a localisation marker is being further discussed** to ensure consensus on:
  1. who should be considered a national/local actor,
  2. how to interpret "as directly as possible" when it comes to direct funding, and
  3. what would be tracked (e.g. financial flows are also in kind contributions and other support).
- ICVA has emphasized the importance of the quality of funding as well as the quantity, the complexity of these issues and the need to test any approaches out in specific country contexts.
- ICVA has also worked through separate initiatives on increasing accessibility of NGOs, especially related to pooled funds, opportunities for capacity investment (especially in UNHCR-NGO partnerships) and more inclusive coordination structures.

## 3. CASH-BASED PROGRAMMING

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. **Increase the routine use of cash** alongside other tools, including in-kind assistance, service delivery (such as health and nutrition) and vouchers. Employ markers to measure increase and outcomes.
2. Invest in new delivery models which can be increased in scale while identifying best practice and mitigating risks in each context. **Employ markers to track their evolution.**
3. Build an evidence base to assess the costs, benefits, impacts, and risks of cash (including on protection) relative to in-kind assistance, service delivery interventions and vouchers, and combinations thereof.
4. Collaborate, share information and develop standards and guidelines for cash programming in order to better understand its risks and benefits.
5. **Ensure that coordination, delivery, and monitoring and evaluation mechanisms are put in place for cash transfers.**
6. **Aim to increase use of cash programming beyond current low levels, where appropriate.**  
**Some organisations and donors may wish to set targets.**

### What's happening?

- Several NGO signatories to the Grand Bargain pledged to significantly increase the proportion of their aid delivered through cash programming.
- The co-convenors are finalizing a work plan to be shared shortly.
- WFP, UNHCR, UNICEF and OCHA have tested four country 'cash preparedness' initiatives to increase interagency cash readiness, and to learn if such a concept could be scaled more widely throughout the humanitarian sector.
- The [Good Humanitarian Donorship](#) group has established a cash work stream, co-chaired by UK and Norway.
- DFID has commissioned a study, undertaken by Development Initiatives to refine measurement of cash-based assistance and make recommendations on how to track cash in the humanitarian system.
- ODI has carried out a consultation following the High Level Panel on cash and is finalizing case studies on models to scale up the use of cash (Nepal, Ukraine, Iraq, etc.)
- The Cash Learning Partnership (CaLP) has developed a framework aggregating the HLP recommendations, ECHO's 10 principles, and the Grand Bargain commitments to accompany progress in a comprehensive manner. CaLP will use this framework to produce the "State of the World of Cash" report to provide a more detailed analysis on the implementation of the Grand Bargain's cash-related commitments.

Co-convenors: WFP and DFID

Helpful contacts: CALP: Caroline Holt  
[cholt@cashlearning.org](mailto:cholt@cashlearning.org)  
WFP: Silvana GIUFFRIDA  
[silvana.giuffrida@wfp.org](mailto:silvana.giuffrida@wfp.org)  
(*RE: WFP's cash e-learning course*)

### How to get involved?

- WFP has made available its [online basic training](#) package on how to implement cash programming, useful as a core introduction for smaller NGOs and civil society organizations.
- NGOs can get involved in the Global Cash Advocacy Network. NGOs with a presence in Geneva can participate in a [Cash Working Group](#).
- CaLP members can participate in the finalisation of the framework and consultation process for the 'State of the World of Cash' report.

### ICVA's take:

- As co-convenor of the work stream to simplify, harmonize and reduce the volume of reporting, ICVA is concerned about proposals that may emerge for heavy additional reporting on cash contributions.
- Models for cash scale up based only on efficiency risk undermining commitments made in relation to localisation.

## 4. REDUCING MANAGEMENT COSTS

### Actual commitments agreed by Grand Bargain

**Sherpas:** Aid organisations and donors commit to:

1. Reduce the costs and measure the gained efficiencies of delivering assistance with technology (including green) and innovation. Aid organisations will provide the detailed steps to be taken by the end of 2017. Examples where use of technology can be expanded:
  - Mobile technology for needs assessments/post-distribution monitoring;
  - Digital platforms and mobile devices for financial transactions;
  - Communication with affected people via call centres, SMS messaging etc.
  - Biometrics; and
  - Sustainable energy.
2. **Harmonise partnership agreements and share partner assessment information** as well as data about affected people, after data protection safeguards have been met by the end of 2017, in order to save time and avoid duplication in operations.

**Aid organisations commit to:**

3. **Provide transparent and comparable cost structures** by the end of 2017. We acknowledge that operational management of the Grand Bargain signatories — the United Nations, International Organization for Migration (IOM), the Red Cross and Red Crescent Movement and the NGO sector may require different approaches.
4. Reduce duplication of management and other costs through maximising efficiencies in procurement and logistics for commonly required goods and services. Shared procurement should leverage the comparative advantage of the aid organisations and promote innovation.

Suggested areas for initial focus:

- Transportation/Travel;
- Vehicles and fleet management;
- Insurance;
- Shipment tracking systems;
- Inter-agency/common procurement pipelines (non-food items, shelter, WASH, food);
- IT services and equipment;
- Commercial consultancies; and
- Common support services.

**Donors commit to:**

5. Make joint regular functional monitoring and performance reviews and reduce individual donor assessments, evaluations, verifications, risk management and oversight processes.

### What's happening?

- On behalf of the UN procurement network (which covers 95% of UN procurement) UNHCR has contracted a consultant to identify possible and feasible joint procurement areas where large procurement takes place (e.g. non-food items, vehicles, medical items, IT equipment, services, etc.). A December 2016 workshop considered recommendations, and the study's conclusions should be made available at the Procurement Network meeting in March 2017.
- In January 2017, ICVA hosted an initial briefing by UNHCR, UNICEF, WFP and OCHA to NGOs considering options to harmonize due diligence and partner selection through:
  - an expanded use of the UNHCR Partner Portal,
  - agreement templates and budgets,
  - reporting
  - shared audits

NGOs will be consulted more broadly through surveys and at annual partnership consultations.

- Within the IASC Humanitarian Financing Task Team, OCHA/FCS will commission a study to explore options for partner capacity assessments to become more inter-operable in some country contexts.

### How to get involved?

- ICVA members are encouraged to respond to forthcoming surveys on options for UN harmonization.
- ICVA members interested in partner capacity assessments can feed into the design and delivery of the forthcoming IASC HFTT study on PCAs.
- ICVA members interested in shaping ICVA's involvement through Less Paper More Aid, including through our donor conditions task force, should contact [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org)

### ICVA's take:

- This work stream is among the most concrete of the ten work stream, and links closely to simplified and harmonized reporting.
- Some actors may be disappointed by the lack of collective effort to implement the commitment related to harmonized cost structures, however the Norwegian Refugee Council (NRC) is commissioning a relevant study that may help this along.

**Co-convenors:** UNHCR and Japan

**Helpful contacts:**

**The overall commitment:**

UNHCR: Hiroko Araki [araki@unhcr.org](mailto:araki@unhcr.org)

**UN harmonization:**

WFP: Marcus PRIOR [marcus.prior@wfp.org](mailto:marcus.prior@wfp.org)

UNICEF: Andrea Suley [asuley@unicef.org](mailto:asuley@unicef.org)

UNHCR: Fatima SHERIF-NOR [sherif@unhcr.org](mailto:sherif@unhcr.org)

**Sharing partner assessments:**

OCHA/FCS: Juan Chaves [chavesj@un.org](mailto:chavesj@un.org)

Less Paper More Aid: [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org)

# 5. NEEDS ASSESSMENTS

## Actual commitments agreed by Grand Bargain

**Sherpas:** Aid organisations and donors commit to:

1. Provide **a single, comprehensive, cross-sectoral, methodologically sound and impartial overall assessment of needs for each crisis** to inform strategic decisions on how to respond and fund thereby reducing the number of assessments and appeals produced by individual organisations.
2. **Coordinate and streamline data collection** to ensure compatibility, quality and comparability and minimising intrusion into the lives of affected people. Conduct of the overall assessment in a transparent, collaborative process led by the Humanitarian Coordinator/Resident Coordinator with full involvement of the Humanitarian Country Team and the clusters/sectors and in the case of sudden onset disasters, where possible, by the government. Ensure sector-specific assessments for operational planning are undertaken under the umbrella of a coordinated plan of assessments at inter-cluster/sector level.
3. Share needs assessment data in a timely manner, with the appropriate mitigation of protection and privacy risks. Jointly decide on assumptions and analytical methods used for projections and estimates.
4. **Dedicate resources and involve independent specialists** within the clusters to strengthen data collection and analysis in a fully transparent, collaborative process, which includes a brief summary of the methodological and analytical limitations of the assessment.
5. Prioritise humanitarian response across sectors based on evidence established by the analysis. As part of the IASC Humanitarian Response Plan process on the ground, **it is the responsibility of the empowered Humanitarian Coordinator/Resident Coordinator to ensure the development of the prioritised, evidence-based response plans.**
6. **Commission independent reviews and evaluations of the quality of needs assessment findings and their use in prioritisation** to strengthen the confidence of all stakeholders in the needs assessment.
7. Conduct risk and vulnerability analysis with development partners and local authorities, in adherence to humanitarian principles, to ensure the alignment of humanitarian and development programming.

## What's happening?

- In September 2016, OCHA's John Ging contacted HCs and HCTs regarding the Grand Bargain commitments, with the intent of strengthening the Humanitarian Needs Overview (HNO) for 2017.
- ECHO, through the [Enhanced Response Capacity \(ERC\)](#) 2017 funding programme, published in November 2016, will support initiatives strengthening the capacity of the humanitarian community to conduct needs assessments in line with the Grand Bargain commitments.
- ECHO has engaged with UN agencies and clusters, INGOs and specialist actors including ACAPS, REACH, and JIPS in order to come to a shared understanding of the gaps concerning needs assessments, and to identify steps forward.
- ECHO and OCHA are organizing a technical workshop held 28 February to 1 March 2017 to collectively identify the current challenges and possible ways forward. The workshop will also be used to define an approach to measure the quality of needs assessments.
- Discussions are pending on a possible baseline study to be carried out in early 2017 to assess to which degree the needs assessments of the past years meet the criteria of the GB commitments on needs assessments and to define how to measure progress against the work stream commitments.

## How to get involved?

- To learn more, listen to a [recording](#) of the 8 February 2017 STAIT webinar on needs assessments. Those interested can also join [STAIT's monthly webinar series](#).
- An OCHA-led informal group is currently working to strengthen collaborative analysis. The group also supports field teams with secondary data analysis when required. The group is open to any agency that is willing and able to share analysis expertise (essentially staff time) and data when field support is provided. Operational NGOs are welcome to join this group to share data and/or analysis expertise. For more information, please contact the Chief of OCHA's Coordinated Assessment Support Section, Agnès Dhur, [dhur@un.org](mailto:dhur@un.org).
- Following the March 2017 ECHO-OCHA workshop, actions involving NGOs may be taken forward.

## ICVA's take:

- During the Grand Bargain negotiations, the needs assessment work stream was among the most difficult of the ten work streams upon which to reach consensus.
- NGOs want to ensure that any approach does not slow down operational response, and leaves space for independent perspectives and specialized analysis (e.g. gender, disability).

Co-convenors: OCHA and ECHO

Helpful contacts: ECHO: Daniel CLAUSS, [Daniel.CLAUSS@ec.europa.eu](mailto:Daniel.CLAUSS@ec.europa.eu)

OCHA: Agnès Dhur, [dhur@un.org](mailto:dhur@un.org)

# 6. PARTICIPATION REVOLUTION

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. **Improve leadership and governance mechanisms at the level of the humanitarian country team and cluster/sector mechanisms** to ensure engagement with and accountability to people and communities affected by crises.
2. **Develop common standards and a coordinated approach for community engagement and participation**, with the emphasis on inclusion of the most vulnerable, supported **by a common platform for sharing and analysing data** to strengthen decision-making, transparency, accountability and limit duplication.
3. Strengthen local dialogue and harness technologies to support more agile, transparent but appropriately secure feedback.
4. Build systematic links between feedback and corrective action to adjust programming.

**Donors commit to:**

5. **Fund flexibly to facilitate programme adaptation in response to community feedback.**
6. Invest time and resources to fund these activities.

**Aid organisations commit to:**

7. Ensure that, by the end of 2017, **all humanitarian response plans — and strategic monitoring of them — demonstrate analysis and consideration of inputs from affected communities.**

Co-Convenors: SCHR and the US

Helpful Contact: SCHR, Kate Halff, [SCHR@IFRC.ORG](mailto:SCHR@IFRC.ORG)

## What's happening?

- The US and SCHR are new co-convenors for this work stream, and have asked Grand Bargain signatories to feed into three broad sub-streams:
  1. articulating what is meant by “participation,”
  2. facilitating and promoting agreed commitments, including ones related to “common standards” and “a common platform for sharing and analysing data” – without creating complex new coordination structures
  3. Identifying incentives to promote effective participation at the collective and organizational levels.
- They intend for this work to be mainstreamed into other Grand Bargain work streams as appropriate.

## How to get involved?

- Several NGOs have agreed to participate in the above process. Please contact SCHR's Kate Halff, [SCHR@IFRC.ORG](mailto:SCHR@IFRC.ORG) for more info.

## ICVA's take:

- ICVA has been grappling with HC/ HCT/ cluster inclusion of NGOs, especially national NGOs, for years. This experience seems quite relevant for the discussion about such mechanisms engaging affected populations. It will be interesting to see the incentives identified by this work stream, and how they could be considered for NGO engagement.
- Any discussion of common standards and common platforms for sharing data should be considered in the context of what exists already, and in the spirit of [Less Paper More Aid](#) (in other words, not increasing bureaucracy).

# 7. MULTI-YEAR PLANNING AND FUNDING

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. **Increase multi-year, collaborative and flexible planning and multi-year funding instruments** and document the impacts on programme efficiency and effectiveness, **ensuring that recipients apply the same funding arrangements with their implementing partners.**
2. **Support in at least five countries by the end of 2017** multi-year collaborative planning and response plans through multi-year funding and monitor and evaluate the outcomes of these responses.
3. Strengthen existing coordination efforts to share analysis of needs and risks between the humanitarian and development sectors and to better align humanitarian and development planning tools and interventions while respecting the principles of both.

Co-convenors: UNICEF and Canada

Helpful contact: NRC — Cecilia Roselli [cecilia.roselli@nrc.no](mailto:cecilia.roselli@nrc.no)

## What's happening?

- UNICEF and Canada are creating a 1-page action plan listing activities until June 2017. Their first action is to carry out a baseline mapping of actors already involved in multi-year funding.
- Multi-year planning was considered during the November 2016 joint retreat of the IASC Humanitarian Development Nexus and the UNDG Group on Transitions held in New York.
- OCHA is undertaking a study on multi-year planning to inform the 2018 Humanitarian Programme Cycle and possible guidance. Case studies include DRC, CAR, Chad, Cameroon, Somalia, Sudan and Haiti.
- Within the IASC Humanitarian Financing Task Team, FAO, OCHA and NRC are launching a study on multi-year funding. The study will complement the research on multi-year planning conducted by OCHA and aims at capturing evidence of added value, best practices, and innovation, as well as identifying challenges associated with multi-year funding.
- HCTs decided intend to use multi-year planning for the DRC, Chad CAR, Somalia, Cameroon, Haiti and Sudan — using different approaches.

## How to get involved?

- NGOs who want to contribute to the forthcoming IASC HFTT study on multi-year funding should contact NRC's Cecilia Roselli [cecilia.roselli@nrc.no](mailto:cecilia.roselli@nrc.no)

## ICVA's take:

- Prior to the negotiations, this work stream was focused on multi-year financing. During the negotiations, the emphasis shifted to a focus on multi-year planning. What is important for NGOs is that all efforts to enhance multi-year planning are reflected in the developments of tools and mechanisms to translate it in multi-year financing.
- NGOs prioritized this work stream given the limitations placed on humanitarian action by contributions lasting only one year or less. At this time, it is hard to see how many donors will overcome their restrictions on humanitarian funding. A key challenge is the lack of concrete evidence of the benefits of multi-year funding. It is hoped some of the studies and country-level experiences will show the way.

# 8. REDUCING EARMARKS

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. **Jointly determine, on an annual basis, the most effective and efficient way of reporting on unearmarked and softly earmarked funding and to initiate this reporting by the end of 2017.**
2. Reduce the degree of earmarking of funds contributed by governments and regional groups who currently provide low levels of flexible finance. Aid organisations in turn commit to do the same with their funding when channelling it through partners.

**Aid organisations commit to:**

3. Be transparent and regularly share information with donors outlining the criteria for how core and unearmarked funding is allocated (for example, urgent needs, emergency preparedness, forgotten contexts, improved management)
4. Increase the visibility of unearmarked and softly earmarked funding, thereby recognising the contribution made by donors.

**Donors commit to:**

5. Progressively reduce the earmarking of their humanitarian contributions. The aim is to aspire to achieve **a global target of 30 per cent** of humanitarian contributions that is non-earmarked or softly earmarked by 2020.

Co-convenors: ICRC and Sweden

Helpful contacts: Elena Garagorri Atristain [egaragorri@icrc.org](mailto:egaragorri@icrc.org)

## What's happening?

- ICRC and Sweden are working to establish a baseline to know where we stand with regard to earmarking.
- Sweden is leading a group of donors on this within the Good Humanitarian Donorship (GHD) initiative.

## How to get involved?

- NGOs are welcome to respond to the baseline survey. Please contact ICRC's Elena Garagorri Atristain [egaragorri@icrc.org](mailto:egaragorri@icrc.org)

## ICVA's take:

- Earmarking was one of the top issues identified by the IASC Humanitarian Financing Task Team, including in its April 2016 report on [Donor Conditions and Their Implications for Humanitarian Response](#).
- Future discussion on how to report on unearmarked and softly earmarked funding should be connected to work on simplified and harmonized reporting.
- The chapeau of the Grand Bargain document section on earmarking included the following text:  
"The Secretary General's recommendation to double the Central Emergency Response Fund (CERF) to USD \$1 billion and to increase the portion of appeal funding to the UN Country-Based Pooled Funds (CBPF) to 15 percent, including through new and additional sources, is recognised as important for increasing the amount of unearmarked and softly earmarked funding.  
**The possibility of opening the CERF for direct funding to civil society organisations should be explored.**"

ICVA understands the CERF Secretariat is currently reflecting on NGO access to CERF, and we have invited them to brief our Humanitarian Financing Working Group once they have their ideas down on paper.

# 9. HARMONIZED AND SIMPLIFIED REPORTING REQUIREMENTS

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. Simplify and harmonise reporting requirements by the end of 2018 by reducing its volume, jointly deciding on common terminology, identifying core requirements and developing a common report structure.
2. Invest in technology and reporting systems to enable better access to information.
3. Enhance the quality of reporting to better capture results, enable learning and increase the efficiency of reporting.

Co-convenors: ICVA and Germany

Helpful contacts: Germany, Thomas Weithoener [pol-5-io@genf.auswaertiges-amt.de](mailto:pol-5-io@genf.auswaertiges-amt.de)

ICVA, Melissa Pitotti [Melissa.Pitotti@icvanetwork.org](mailto:Melissa.Pitotti@icvanetwork.org)

Less Paper More Aid, Jeremy Rempel [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org)

## What's happening?

- With support from Germany, the Global Public Policy Institute (GPPI) analysed a variety of reporting requirements and proposed a "10 + 3" approach towards harmonization of narrative reporting, which identified 10 'core' questions' and 3 'context specific' questions.
- A workshop was held in Geneva on 18 November 2016 where Germany and ICVA reconvened Grand Bargain signatories to discuss GPPI's research proposal and develop a plan forward.
- Germany and ICVA have reached out to the Grand Bargain signatories, the GHD group and the IASC to solicit feedback on the GPPI proposal and recruit volunteers for a pilot to test the 10+3 approach in some country contexts. Donors, UN agencies and NGOs are coming forward to join the pilot.
- The pilot will be launched at a meeting of the volunteers held in Berlin on 24 March 2017.

## How to get involved?

- NGOs who want to get involved in supporting Less Paper More Aid's focus on reporting, UN harmonization and PCAs can join ICVA's Donor Conditions Task Force by contacting Jeremy Rempel [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org)
- NGOs who want to participate in the country-level pilots of the reporting approach should urgently contact Jeremy Rempel [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org) for more information.

## ICVA's take:

- This work stream is very concrete, and has the chance to make a real difference in the daily experience of NGO staff in the field and headquarters.
- ICVA is making an effort to link the discussions on this work stream to those on IATI (transparency) and reducing management costs (UN harmonization of partnering with NGOs).

# 10. STRENGTHENING ENGAGEMENT BETWEEN HUMANITARIAN AND DEVELOPMENT ACTORS

**Actual commitments agreed by Grand Bargain Sherpas:** Aid organisations and donors commit to:

1. Use existing resources and capabilities better to shrink humanitarian needs over the long term with the view of contributing to the outcomes of the Sustainable Development Goals. Significantly increase prevention, mitigation and preparedness for early action to anticipate and secure resources for recovery. This will need to be the focus not only of aid organisations and donors but also of national governments at all levels, civil society, and the private sector.
2. Invest in durable solutions for refugees, internally displaced people and sustainable support to migrants, returnees and host/receiving communities, as well as for other situations of recurring vulnerabilities.
3. Increase social protection programmes and strengthen national and local systems and coping mechanisms in order to build resilience in fragile contexts.
4. **Perform joint multi-hazard risk and vulnerability analysis, and multi-year planning where feasible and relevant, with national, regional and local coordination in order to achieve a shared vision for outcomes. Such a shared vision for outcomes will be developed on the basis of shared risk analysis between humanitarian, development, stabilisation and peacebuilding communities.**
5. Galvanise new partnerships that bring additional capabilities and resources to crisis affected states through Multilateral Development Banks within their mandate and foster innovative partnerships with the private sector.

Co-convenors: UNDP and Denmark

Helpful contacts: Taija Kontinen-Sharp (UNDP) [taija.kontinen@undp.org](mailto:taija.kontinen@undp.org)

Jette Michelsen (Denmark) [jetmik@um.dk](mailto:jetmik@um.dk)

Sara Sekkenes (IASC Humanitarian-Development Task Team) [sara.sekkenes@undp.org](mailto:sara.sekkenes@undp.org)

## Note:

The Grand Bargain work stream 10 is different in nature from the others due to:

- Its **delivery and results are captured somewhat by other relevant work streams** (including multi-year planning and financing, joint needs assessments and localisation),
- Its **strong policy component linking to other processes.** The work stream captures milestones of processes, such as the roll-out of the *New Way of Working* and the implementation of the **Comprehensive Refugee Response Framework** coming out of the 19 September Summit on Large Movements of Refugees and Migrants, which are both examples of processes that link to the aims and outcomes of the Grand Bargain but are not governed by the Grand Bargain.

## What's happening?

- **UNDP and Denmark are launching a knowledge sharing platform in February 2017** that consolidates best practice and information across the work stream. They are also organizing a meeting to be held in Copenhagen on 12–13 March 2017 to look at concrete processes that support enhanced engagement and sequencing in four countries.
- Working groups that deliver some of the outcomes of the Grand Bargain work stream 10 include the **IASC Humanitarian Financing Task Team (HFTT)** and the **IASC Task Team on the Humanitarian-Development Nexus**.
- In 2017, the **HFTT** will be working to progress this piece through
  1. **mapping financial flows and pooled fund mechanisms** supporting the humanitarian-development nexus by country; and
  2. **developing a concept note to look at financing fragmentation across the various funding streams** at the country level, and working with partners, such as the UN Multi-Partner Trust Fund, to jointly frame what country-level financing assessments could look like in a given context.
- The work of the IASC Task Team on the Humanitarian-Development Nexus is already underway. The group held a first joint retreat with the UN Working Group on Transitions in October 2016 and agreed on an **action plan to advance the New Way of Working between humanitarian, development and peace actors**. As a key outcome of the workshop, participants developed a roadmap for the two groups to better support field operations to conduct (to the extent possible) joint analysis, strategic planning and joint programming against agreed collective outcomes for the short-, medium- and long-term, based on specific comparative strengths.
- **Additional joint retreats could be held in the near future, with themes suggested for the agenda including financing, coordination and leadership.** This is also relevant in the context of the WHS Commitment to Action and Grand Bargain follow up. With dates yet TBC, invitations will include the full membership of the [UN Working Group on Transitions](#) and the IASC including NGOs, the IFRC and the ICRC.

## How to get involved?

- NGOs can get involved in this work stream by joining the **IASC Humanitarian-Development Nexus Work stream** and **engaging in the work of the IASC Humanitarian Financing Task Team**. The contributions of NGOs to other relevant work streams of the Grand Bargain are also important, as this shapes the overall results of work stream 10.
- Once the **knowledge-sharing platform** is launched this will also be an open source of information for colleagues to utilize.

## ICVA's take:

- ICVA and NGOs participating in the September 2016 joint retreat observed that the conversation on joined up analysis and joined up planning is currently predominantly focused on internal UN procedures.
- There seems to be solid appetite to both protect humanitarian principles and develop concrete tools for enhanced engagement among humanitarian, development and multi-mandate organisations.

# FOLLOWING-UP THE GRAND BARGAIN

- The Grand Bargain is now guided by a **“Facilitation Group”** comprised of a representative mix of Grand Bargain signatories: ECHO, IFRC, OCHA, SCHR, Switzerland, UN Women and WFP. The facilitation group meet regularly to address issues like collecting and analysing the signatories’ self-reporting, commissioning an independent annual report on the Grand Bargain, and planning the annual meeting of Grand Bargain signatories.
- The Facilitation Group is supported by a **Secretariat** staff person, hosted by the IASC Secretariat in Geneva. The [webpage](#) will soon be updated, providing more information on the Grand Bargain. As they are housed together, it is assumed these Secretariats will support better linkages between ongoing initiatives and Grand Bargain efforts, with an aim to minimise duplication of activities and functions.
- The Grand Bargain had been championed by an **“Eminent Person,”** Ms. Kristalina Georgieva of the European Commission, who served in that role until the end of 2016. Now that she has moved on to a new job at the World Bank, the Facilitation Group is currently seeking a new Eminent Person.
- NGOs who **want to sign** the Grand Bargain are welcome to do so by contacting the Grand Bargain Secretariat. The Grand Bargain is not a binding agreement, but signatories take the Grand Bargain commitments seriously and will report back annually on how they are achieving the commitments. Since the Grand Bargain was negotiated, the following non- “Sherpas” have signed on:

Donors	Agencies	
<ul style="list-style-type: none"> <li>• Bulgaria</li> <li>• Czech Republic</li> <li>• Italy</li> <li>• Luxembourg</li> <li>• Estonia</li> <li>• Spain</li> <li>• Slovenia</li> <li>• Finland</li> <li>• Ireland</li> <li>• Poland</li> </ul>	<ul style="list-style-type: none"> <li>• UN Women</li> <li>• UNFPA</li> <li>• Care International</li> <li>• Syria Relief Turkey</li> <li>• IRC</li> <li>• Relief International</li> <li>• Mercy Corps</li> <li>• World Vision</li> <li>• Global Communities</li> <li>• CRS</li> </ul>	<ul style="list-style-type: none"> <li>• NRC</li> <li>• Christian Aid</li> <li>• ILO</li> <li>• CAFOD</li> <li>• Caritas Spain</li> </ul>

- This brings the **total number of Grand Bargain signatories at the time of writing to 50 (22 donors and 28 humanitarian organizations).**
- Grand Bargain signatories were asked to submit a draft **“self report”** on their progress implementing the Grand Bargain commitments by 6 February 2017. The final self-reports are due 27 March 2017 and will be published on the Grand Bargain website.
- An independent annual report on Grand Bargain implementation is currently being compiled by a team of independent experts led by the Global Public Policy Institute in Berlin.
- The Facilitation Group has circulated an [“Aide Memoire on Gender Mainstreaming”](#) in the Grand Bargain, which was prepared by an “informal Friends of Gender” group for the Grand Bargain under the coordination of UN Women.
- **The next meeting** of the Grand Bargain signatories will be held on 20 June 2017 in Geneva, immediately before the ECOSOC Humanitarian Affairs Segment.

# ICVA'S EFFORTS IN HUMANITARIAN FINANCING

## In the Grand Bargain:

- ICVA served as one of three NGO consortia negotiating the text of the Grand Bargain. Prior to each Grand Bargain negotiation, ICVA drafted and circulated to its members a position paper for feedback. After each negotiation, ICVA shared a report and analysis with members. These documents are available to ICVA members at <http://www.icvanetwork.org/humanitarian-financing>
- ICVA co-convened with Germany the **Grand Bargain work stream related to harmonized and simplified reporting**. ICVA and Germany co-hosted two workshops for Grand Bargain Sherpas to consider commitment language and potential ways forward to achieve those commitments.

ICVA co-hosted with Germany the September 2016 meeting of Grand Bargain signatories held in Bonn, which transitioned the Grand Bargain from negotiations to implementation based on consensus jointly forged by Germany and ICVA.



**THE HUMANITARIAN SYSTEM MUST MOVE AWAY FROM A CENTRALIZED, COMMAND AND CONTROL, ONE—SYSTEM—FITS—ALL APPROACH TO AN ECOSYSTEM OF DIVERSE ACTORS, WHERE FRONTLINE RESPONDERS RECEIVE ADEQUATE & TIMELY RESOURCES.**



## Through the IASC:

- ICVA serves as one of three NGO consortia participating in the **Inter-Agency Standing Committee (IASC)**, which brings together UN agencies, the Red Cross Red Crescent Movement, NGOs, the World Bank and others to address common challenges related to humanitarian action.
- ICVA co-chairs with OCHA/CERF an IASC subsidiary body called the **IASC Humanitarian Financing Task Team (HFTT)**. The HFTT has four objectives:
  1. adequate and accessible financing,
  2. reduced burdensome donor conditions,
  3. bridging the humanitarian-development divide, and
  4. increasing the transparency of aid flows.

These are all relevant to the Grand Bargain, and as a result the HFTT has a formal role in implementing, often in collaboration with GHD donors, certain pieces of the Grand Bargain.

- ICVA members can contribute to these efforts by joining ICVA's NGO-only **Humanitarian Financing Working Group**. For further details, contact [Melissa.Pitotti@icvanetwork.org](mailto:Melissa.Pitotti@icvanetwork.org)

## Less Paper More Aid:

- Some of the more technical considerations behind discussions related to reporting, UN harmonization, partner capacity assessments, audit and IATI are taking place in ICVA's NGO-only **Donor Conditions Task Force**.
- This Task Force has steered ICVA's [Less Paper More Aid](#) initiative, which reached out to NGO field and headquarters staff to demonstrate the impacts of reporting, audits and partner capacity assessments. The resulting analysis and proposed "Framework for Change" served as a key input into Grand Bargain negotiations around reporting, UN harmonization and partner capacity assessments. For further information, contact Less Paper More Aid project coordinator Jeremy Rempel [Jeremy.Rempel@icvanetwork.org](mailto:Jeremy.Rempel@icvanetwork.org)

# ANNEX ONE: MEMBERS - HIGH LEVEL PANEL ON HUMANITARIAN FINANCING

## Co-Chairs:

- Ms. Kristalina Georgieva, Bulgaria Vice President for Budget and Human Resources, the European Commission
- HRH Sultan Nazrin Shah, Malaysia Ruler of Perak, Malaysia

## Panellists in alphabetical order:

- Ms. Hadeel Ibrahim, the United Kingdom Executive Director, Mo Ibrahim Foundation
- Mr. Badr Jafar, the United Arab Emirates Managing Director, the Crescent Group

- Mr. Walt Macnee, Canada Vice Chairman, MasterCard
- Mr. Trevor Manuel, South Africa Senior Advisor, Rothschild Group
- Ms. Linah Mohohlo, Botswana Governor, Bank of Botswana
- Mr. Dhananjayan Sriskandarajah, Sri Lanka Secretary-General, CIVICUS
- Ms. Margot Wallström, Sweden Minister for Foreign Affairs

# ANNEX 2: HLP REPORT RECOMMENDATIONS

## Shrink the Needs: A shared responsibility

### The panel recommends:

1. Reorient official development assistance towards the reduction and prevention of situations of fragility.
2. Create fiscal space and generate local and national capacity for crisis prevention and response.
3. Promote development finance in protracted crises and, wherever possible, move to joint humanitarian-development financial programming.
4. Change the eligibility criteria for access to low interest loans and grants to follow the people in need.
5. Increase the International Development Association (IDA)'s Crisis Response Window funding by at least a factor of three.

## Deepen and broaden the resource base for humanitarian action

### The panel recommends:

1. Establish an international solidarity levy mechanism to support the health welfare of displaced people.
2. Intensify funding from new donors by ensuring that their contributions receive appropriate recognition in the key tracking systems for humanitarian funding.
3. Engage the private sector to commit resources for in-kind response, with the UN Global Compact creating opportunities to tap into assets, skills and capabilities.
4. Develop and promote more risk financing tools for disaster-prone countries.
5. Unleash the full potential of Islamic Social Finance.
6. Develop international media platforms for more systematic and predictable individual giving.

## Improve delivery: A grand bargain on efficiency

**The panel recommends:** that by the World Humanitarian Summit donors and aid organisations work towards a collective roadmap for stretching available money to reach more people in need.

### The main elements of a Grand Bargain are:

For aid organisations and donors to work more closely together towards:

- More financial transparency.
- More support and funding tools to national first responders.
- Scale up use of cash-based programming and more coordination in its delivery.

For aid organisations to commit to:

- Reduce duplication and management costs.
- Periodic functional expenditure reviews.
- More joint and impartial needs assessments.
- A Participation Revolution: listen more to and include beneficiaries in decisions that affect them.

For donors to commit to:

- More multi-year humanitarian funding.
- Less earmarks to humanitarian aid organisations.
- More harmonized and simplified reporting requirements.



A GLOBAL NGO NETWORK  
FOR PRINCIPLED AND EFFECTIVE  
HUMANITARIAN ACTION

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The views expressed in this document do not necessarily reflect the views of the donors.

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