



Joint Agency position on the Future of the Grand Bargain

Introduction

[The Grand Bargain](#) (GB) was envisioned as, and is, an agreement to improve the efficiency and effectiveness of aid, not an end itself. It is only one of three recommendations included in the High-Level Panel (HLP) on Humanitarian Financing's [Too Important to Fail](#) report. Indeed, in its introduction the GB states, “[The GB] should be seen as the first stage of an ongoing process.”

The [2020 ODI Independent Report](#) indicates the GB has been a significant “lever for change” in humanitarian financing systems, where “collective and individual efforts by signatories have brought tangible results in a number of areas, demonstrating that the Grand Bargain can lead to system-wide changes in policy and practice.” We have observed what ODI and others have stated: the GB has resulted in progress, albeit incremental, but its potential to trigger wider reform “has not been realized.” Unfortunately, there is nothing ‘grand’ about the progress that has been made.

As we deliberate on a future Grand Bargain, we must now build that grand, broader reform process which calls attention to our “shared responsibility” to **shrink the needs** (HLP recommendation 1, with five measures articulated), to **deepen and broaden the resource base for humanitarian action** (HLP recommendation 2, with related six measures), and **invest in gender equality and the empowerment of crisis affected women and girls** (Friends of Gender Group recommendations), *alongside* a refocusing of the current GB.

This position should be read alongside of local NGO and localisation network positions already published, which we support, including the important contributions of the [Alliance for Empowered Partnerships \(A4EP\)](#), [the Charter for Change \(C4C\) network](#), and the [Network of Empowered Aid Response \(NEAR\)](#). Note, also, [ODI's April 2021 study](#) which reviews progress since the report of the High-Level Panel on Humanitarian Financing and provides detailed evidence for our call to action.

Our position on the future of the Grand Bargain

1. The Grand Bargain's membership, structures, and convening power has made it *the* default space for tackling system-wide financing issues. This is arguably its most significant value to the sector, to-date: the creation of a multi-stakeholder space where critical humanitarian financing issues are taken apart, solutions proposed, and some progress made. We appreciate GB stakeholders for the progress achieved – laying the foundation for important shifts including, for example, the simplification and harmonization of UN contractual requirements for partners.

But after five years, our community needs to re-envision this space to go beyond the current proposal of tinkering on the edges and towards shifts that fundamentally alter the existing dynamics; **we need a more comprehensive financing and reform agenda which includes all three recommendations made in the High-level Panel (HLP) on Humanitarian Financing and that centres gender equality and the empowerment of crisis affected women and girls (GEEWG).**

This is an opportunity to engage high-level global political leaders on issues elsewhere-discussed without traction: to prevent and resolve conflicts, create a predictable, timely, flexible revenue stream for humanitarian action, increase investment in disaster risk reduction (DRR), anticipatory action and preparedness,

accountability to commitments on GEEWG outcomes, promote risk-financing tools, and move to joined up humanitarian-development-peace programming.

Political will and political processes are needed to drive a “Grand Bargain 2.0” which offers our system something actually grand: a gender-transformative framework for humanitarian financing and reform based on all three 'Too Important to Fail' recommendations.

2. Real progress is dependent upon local knowledge and leadership. To this end, we believe that any and **all efforts to harness political will should be broadened to include representatives from G77 governments and LNINGO networks**. We support existing calls to expand the number of signatories to include local and national humanitarian actors. Current GB efforts are restricted by its limited membership of primarily humanitarian donors, UN agencies, and big INGOs. **We must engage stakeholders not often heard or included in humanitarian decision-making spaces, including diverse local women-led, women's rights, and refugee-led organisations (WLOs, WROs, and RLOs)**. We must collaborate with governments to mobilize additional domestic and international resources, complementing – not replacing – traditional international public humanitarian assistance, recognising the current humanitarian funding shortfall is an issue of political will rather than affordability. We must engage governments of communities affected by crises as fundamental partners to prevent and respond to humanitarian crisis, as well as realize triple nexus shared goals of meeting humanitarian needs, lasting peace and inclusive and sustainable development. We must go beyond those who have shaped our older ways of working, to build a more inclusive and locally led humanitarian ecosystem that is fit for purpose to confront the unprecedented humanitarian challenges of the 21st century.
3. We must ground the Grand Bargain 2.0 in practice and in context. In 2017, the first Grand Bargain evaluation included a recommendation to “apply the Grand Bargain **in its entirety** to specific emergency operations.”¹ **We support reviving this recommendation: the selection of a few emergency contexts in piloted collective effort** to showcase the “benefits that result from a simultaneous step change.” Over the past few years, GB Workstreams have piloted initiatives with success, but in “workstream-silos.” Our proposal is to strengthen links *between* commitments, focusing collective efforts on application of the GB 2.0 *in its entirety*, and work towards the HLP’s original, transformative ambition. This is a necessary step towards greater accountability, without which we will continue to struggle with defining success. We cannot wait longer for the impacts of our efforts to be felt by people affected by crises.
4. We recommend signatories **commit to a significantly longer timeline with specific and ambitious milestones, until 2030, that will link our humanitarian financing and reform goals to a process that advances the Sustainable Development Goals (SDGs) in fragile countries**. A longer timeframe, aligned to SDGs, offers humanitarian, development and peace actors, a more realistic opportunity to pilot our efforts in select emergency contexts, collectively, and expand on learned practice.

There is experience to draw from, in considering a longer timeline. For example, the Comprehensive Refugee Response Frameworks were piloted for two years which then informed the drafting of the Global Compact on Refugees. Working with States, selected GB 2.0 pilots could run from 2021 to 2023. With this learning, we could expand adapted and improved collective efforts from 2024 in more emergency contexts. Such a process has the potential to ensure humanitarian activities are incorporated into national development priorities, and starting from 2024, the GB 2.0 could contribute to States’ SDG progress. By 2027, all GB 2.0 pilots could be brought together for review and refocusing, and then assessed in 2030 by States in their SDGs achievement reports. A more ambitious GB 2.0 timeline and process offers a unique opportunity to bridge and build towards achieving an SDG vision that truly ‘leaves no one behind.’

¹ GPPi, 2017 [Independent Grand Bargain Report](#). See page 12 for referenced recommendation.

Annex: Detailed feedback on the February proposal for the GB 2.0:

On 1 February 2020, the GB Eminent Person, Sigrid Kaag, the GB Facilitation Group Ministers (currently EU, IFRC, OCHA, SCHR, UK, WFP) and IASC Principals endorsed a general direction on the future of the Grand Bargain, the so-called 'GB 2.0', which responds to the ongoing challenges the GB faces in realising its potential. The currently agreed general direction focuses on three areas:

- a) harnessing political will,
- b) narrowing the focus to a handful of strategic objectives (namely quality funding and localisation)
- c) instituting a nimbler, more innovative approach, and stripping away bureaucracy

More details on each are provided in the "Extended Facilitation Group Proposal" which summarizes what has been endorsed, as well as other ideas.

We broadly support the general direction (in grey) agreed by the Eminent Person, Facilitation Group and IASC Principals, and offer additional feedback:

On harnessing political will

- a. We **support** the high-level political goal proposed to anchor progress: "Better humanitarian outcomes for affected populations through enhanced efficiency, effectiveness, and greater accountability, in the spirit of quid pro quo as relevant to all constituencies." We note, in particular, that our *joint or mutual* accountability on all commitments is necessary to achieve transformative change.
- b. In addition to the existing proposal, we **recommend adding three additional political goals**:
 - "Sharing responsibility to shrink needs" (HLP recommendation 1) and
 - "Deepen and broaden the resource base for humanitarian action" (HLP recommendation 2)
 - "Invest in gender equality and the empowerment of crisis affected women and girls" (Friends of Gender Group recommendation)

These additions would ensure our political ambitions reflect the ongoing and vital humanitarian-development-peace nexus discussions, our commitments to Gender Equality and Empowerment of Women and Girls (GEEWG) initiatives critical to ensure response effectiveness, as well as the continued relevance and necessity of making progress on the other key HLP recommendations.

- c. To achieve high-level political goals, Grand Bargain 2.0 leadership must be based on high level political representation; We **recommend** Ministerial-level government engagement to drive GB 2.0 progress, inclusive of G77 countries.

On narrowing the focus

Enabling priority 1: "A critical mass of quality funding is reached that allows an effective and efficient response, ensuring visibility and accountability."

- "Critical mass": Having "funding" is not enough to allow an efficient response, there needs to be a critical mass both of funding and within that, a sufficient proportion of funds that is less or un-earmarked, timely and multi-annual.
- "Effective and efficient response": Quality funding is not an end in itself, it must translate into better design of operations and better delivery (efficiency), leading to improved humanitarian outcomes for affected populations.
- "Visibility": greater visibility of various humanitarian actors along the supply chain, from donors all the way to local actors

- a. We support the proposed prioritization of quality funding. We recommend:

- Edit the priority to reframe this quality funding as **accessible**, rather than “reached,” to ensure links with our work on localisation and GEEWG.
- Edit the priority to **include “risk-sharing”** alongside visibility and accountability.
- Ensure “quality funding” comprises all costs, direct and indirect, including overheads/core costs.
- Add language in the description of “effective and efficient response” to include **gender transformative action**, without which we will not reach improved humanitarian outcomes for all.
- Add clearer language on “Accountability” to ensure our common understanding of primary **accountability to people affected by crises in all their diversity**, and not confuse it with due diligence or donor compliance measures.
- Add clearer language on “Visibility” to ensure our common understanding of where and to whom visibility is needed.

Enabling priority 2: *“Greater support is provided for the leadership, delivery and capacity of local responders and the participation of affected communities in addressing humanitarian needs.”*

- *“Greater support is provided...”: Increased and better targeted support for the capacity needs identified by local responders and a shift away from sub-contracting and toward more genuine partnerships between international and local actors.*
- *“Participation of affected communities in addressing humanitarian needs”: Ensuring that agencies and donors have sufficient flexibility to design or rapidly change the manner or type of aid they provide in response to the preferences of affected communities*

- a. We support the prioritization of investing in local and national responders. We recommend:
- Add language on “greater support” to include reference to our current **25% as directly as possible funding target, and add new language to make explicit our commitment to increasing funding for local WLOs, WROs, and RLOs**. While we are still, collectively, unable to reach the target, we cannot lose sight of these key drivers of change. We further note that, despite growing evidence^{2 3} that directly funding women’s organizations is more likely to lead to responses that prioritize women and girls’ needs, funding to front-line women’s organizations in fragile contexts remains at a paltry 0.2 % of total bilateral aid⁴ and the secondary impacts of COVID-19 on their funding base have threatened the very existence⁵ of many organisations. What gets measured gets done. We therefore recommend that GB signatories track and report on the amount of funding going to WROs, WLOs, and RLOs as part of the existing commitment to tracking funding going to local and national actors and in alignment with many signatories’ expressed ambitions to GEEWG⁶.
 - Further, on “greater support,” we suggest editing to ensure not just better “targeting” of capacity needs, but **“better, targeted and coordinated support which re-imagines the role of international actors as complementary to local and national responders.”** We know this support must be focused on the institutional and organisational strengthening of local actors, prioritising those organisations on the frontlines and led by crisis-affected people⁷. We know, too, that this support cannot be funded through short-term project, but requires additional, flexible resources.

² OECD, [Donor support to southern women's rights organisations](#) (2016).

³ UN Women, [Funding for Gender Equality and the Empowerment of Women and Girls in Humanitarian Programming](#)

⁴ UN Secretary General Report, [Women, Peace and Security](#) (2020).

⁵ *Ibid.* Citing a survey by UN Women of the Women, Peace and Humanitarian Fund (WPHF) CSO partners. Thirty per cent (30%) of WPHF local civil society partners reported that the existence of their organizations was at risk as a result of COVID-19 and its impacts.

⁶ CARE International, [Time for a Better Bargain: How the Aid System Shortchanges Women and Girls in Crisis](#) (2021)

⁷ See details in [Grand Bargain Workstream 2 Guidance Notes](#) on Capacity Strengthening, Gender-responsive Localization, and Partnership (2020).

- Again on “greater support,” we suggest edits to reflect **equitable and principled partnership** based on mutual trust and shared values and visions, rather than “genuine partnerships”.
- Edit clarifying language on “participation of affected communities” to reflect principles of **inclusive community-led prevention and response** efforts which goes beyond responding to “preference.” We recommend including agency and donor flexibility to **strengthen inclusive community-led preparedness and response efforts**.

On a nimbler innovative approach, stripping away bureaucracy

Coordination Structures

The Grand Bargain 2.0 will maintain current support structures, including FG to support the process, a high-profile Eminent Person to ensure regular follow-up at Principals level throughout the process, a Sherpa group with sufficient seniority and power to both drive change within the humanitarian ecosystem and influence decisions outside it, and a Secretariat to support the coordination and communication function to these structures.

The FG will include one additional seat for a local civil society responder keeping it small enough to be effective, but more representative of those delivering assistance on the front line. In addition, at least one member of the FG, in addition to their constituency role, will undertake to represent the Friends of Gender group and will commit to regularly liaising with them to ensure gender is reflected across the Grand Bargain.

- We recognise inclusive coordination and ensuring diverse ownership requires time and effort, but are necessary if we are to deliver on our ambitions.
- We reiterate our call to expand the number of signatories to include local and national humanitarian actors and to ensure they are represented in all governance structures of the GB at all levels.
- We recommend the Sherpa group include Ministerial-level government representatives to ensure the political leadership necessary for progress.
- Change must be driven at the country level. To do so, coordination structures must be devolved. We recommend maintaining the existing global Facilitation Group and **setting up new Facilitation Groups at specific crisis/country level, where piloted collective efforts can be co-led by responsible hosting governments and LNNGOs**, with specific attention to the representation of women’s organizations, in order to create a more inclusive and representative political space of the existing humanitarian eco-system.
- We recommend the Friends of Gender Group (FoGG) be included, formally, into the coordination structures of the GB 2.0 at the global level. One representative with “double-hatted” priorities in global coordination is not sufficient to support a gender-transformative humanitarian financing and reform.

On Accountability

The annual self-reporting mechanism will be maintained but simplified to focus on the strategic objective and enabling priorities, based on a reduced set of core commitments.

- We support the proposed simplified process for self-reporting.
- However, to reflect the ambition of our high-level political goal that includes mutual, greater accountability, we must move from voluntary reporting on selective commitments (as is current practice) to **mandatory reporting against enabling priorities and collective outcomes, including on gender specific indicators**. Reporting should reflect stakeholder efforts on political goals.
- We propose **greater investment in sharing progress and learning** at the regional and country levels, supported by the new emergency level Facilitation Groups, in order to enhance collaboration and trust between actors and provide opportunities to replicate and scale.