



THE GRAND BARGAIN 2.0 EXPLAINED: An ICVA briefing paper

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A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

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ACRONYMS

A4EP	Alliance for Empowering Partnership	ICVA	International Council of Voluntary Agencies
AWO	Arab Women's Union	IFRC	International Federation of Red Cross and Red Crescent Societies
CaLP	Cash and Learning Partnership	INGO	international non-government organisation
CAVP	Cameroon Association Vulnerable Persons	IRC	International Rescue Committee
CCD	Collaborative Cash Delivery Network	JIAF	Joint Intersectoral Analysis Framework
CERF	Central Emergency Response Fund	JIAG	Joint Intersectoral Analysis Group
CHI	Community Healthcare Initiative	MENA	Middle East and North Africa
DEEP	Data Entry and Exploratory Platform	NEAR	Network for Empowered Aid Response
ECHO	European Civil Protection and Humanitarian Aid Operations	NGO	non-government organisation
ECOSOC	United Nations Economic and Social Council	NRC	Norwegian Refugee Council
EP	Eminent Person	NRG	National Reference Group
ERC	Emergency Relief Coordinator	OCHA	United Nations Office for the Coordination of Humanitarian Affairs
FG	Facilitation Group	ODI	Overseas Development Institute
FoGG	Friends of Gender Group	PMU	Program Management Unit
FTS	Financial Tracking System	REBHIC	Rehabilitation, Empowerment and Better Health Initiative
GHD	Good Humanitarian Donorship	SCHR	Steering Committee for Humanitarian Response
GPPI	Global Public Policy Institute	UK	United Kingdom
HCT	Humanitarian Country Team	UN	United Nations
HFTT	Humanitarian Financing Task Team	UNHCR	United Nations Refugee Agency
HNO	Humanitarian Needs Overview	UNICEF	United Nations Children's Fund
HPC	Humanitarian Programme Cycle	USA	United States of America
HRP	Humanitarian Response Plan	WFP	United Nations World Food Programme
HRSS	Hope Restoration South Sudan	WHS	World Humanitarian Summit
IAHE	Inter-Agency Humanitarian Evaluations	WS	Workstream
IASC	Inter-Agency Standing Committee		
IATI	International Aid Transparency Initiative		
ICRC	International Committee of the Red Cross		

INTRODUCTION

International Council of Voluntary Agencies (ICVA) is a global network of non-government organisations (NGOs) whose mission is to make humanitarian action more principled and effective by working collectively and independently to influence policy and practice. Established in 1962, ICVA has grown into a diverse network of over 130 NGO members operating in 160 countries at global, regional, national and local levels.

[ICVA's 2030 Strategy](#) commits the organisation to advocate for humanitarian financing that meets the needs of populations affected by crises, whilst ensuring better access to humanitarian financing for NGOs. Following the ['Grand Bargain explained'](#) paper published in March 2017, ICVA has drafted the 'Grand Bargain 2.0 explained' briefing paper to support humanitarian actors, particularly NGOs, to better understand and engage in this new phase of the Grand Bargain 2.0 from 2021 – 2023.

THE ORIGINS OF THE GRAND BARGAIN

As needs of affected people are increasing, the humanitarian community must find better ways to respond to crises. In 2015, OCHA called for \$19.8 billion to respond to humanitarian needs, however only \$10.9 billion was funded, leaving a 45% shortfall. In acknowledgement of this gap, the previous UN Secretary-General Ban Ki-Moon announced the creation of a '[High-Level Panel on Humanitarian Financing](#)' comprised of nine well-regarded, influential individuals from diverse backgrounds. The co-chairs included Ms. Kristalina Georgieva, the then Vice President for Budget and Human Resources in the European Commission, and HRH Sultan Nazrin Shah, the Ruler of Perak in Malaysia.

In the lead up to the World Humanitarian Summit (WHS) in 2016, the Panel launched its report called '[Too important to fail – addressing the humanitarian financing gap](#)'. Categorised into three chapters, the report made recommendations to shrink the needs, deepen and broaden the resource base for humanitarian action, and to improve delivery.

In relation to the latter recommendation, the report suggested the now-familiar concept of a Grand Bargain. **Launched during the WHS in Istanbul in May 2016, the Grand Bargain is a unique agreement between some of the largest donors and humanitarian organisations who have committed to get more means into the hands of people in need and to improve the effectiveness and efficiency of humanitarian action.**

The underlying logic behind the Grand Bargain is that if donors and humanitarian organisations each make changes – for example if donors reduce earmarking, and humanitarian organisations 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 people. The Panel hoped that efficiency gains would yield \$1 billion in savings between 2016 and 2021. 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.

THE GRAND BARGAIN STORY SO FAR

Initially thought of as a deal between the five biggest donors and the six largest UN agencies, the Grand Bargain now includes 65 signatories (25 Member States, 24 NGOs, 12 UN agencies, two Red Cross Movements, and two inter-governmental organisations). The Grand Bargain remains the only platform where all relevant stakeholder constituencies (donors, UN agencies, Red Cross/Red Crescent Movement, and NGOs) sit and interact on a “level playing field where all meet as equals” in an effort to transform the humanitarian system for more effective and efficient aid. It promotes a “quid pro quo” (this Latin expression means to trade one thing for another) spirit of reciprocity as all stakeholders commit to contributing their share.

In 2016, negotiators from each organisation (known as Sherpas) developed 51 commitments categorised into 10 key workstreams – outlined in the '[Shared Commitments](#)' document. Two co-convenors lead each workstream – typically one donor and one implementing organisation – who work towards advancing specific Grand Bargain commitments.

Workstream participants typically include working-level staff from signatory organisations. Decision-making and agreement on Grand Bargain commitments occurs at the political level by the heads of signatory organisations, known as Principals.

The 2021 Grand Bargain Independent Annual Report published by ODI found that overall, there has been progress across all workstreams, but the level and scope of these changes varies significantly. The Grand Bargain has driven or significantly contributed to system-wide shifts in policy or practice in a number of areas including cash assistance, localisation, joint needs analysis, and harmonised reporting. There has also been notable progress on gender equality and women's empowerment as a crosscutting theme. However not all of the original commitments have been achieved due to unclear logic or added value, or lack of political will. More information on the longer-term outcomes achieved since the Grand Bargain was established and the continued challenges can be found in ODI's [2021 Grand Bargain Independent Annual Report, Executive Summary](#) and [infographic](#).

NEGOTIATING THE GRAND BARGAIN 2.0

As the Grand Bargain entered its fifth year, the signatories made a decision on the evolution of the process moving forward. Despite varied views regarding the effectiveness of the Grand Bargain, the signatories demonstrated a high level of interest and enthusiasm to continue to pursue the Grand Bargain's objectives, and to expand its strategic outreach. At the Grand Bargain Annual Meeting held 15-17 June 2021, the signatories endorsed the [Grand Bargain 2.0 Framework and Annexes](#). The Facilitation Group also formally announced the appointment of the new Eminent Person Mr. Jan Egeland, Secretary-General of NRC, who took over from the outgoing Eminent Person Ms. Sigrid Kaag, Netherlands Minister for Foreign Trade and Development Cooperation.

The signatories developed the Grand Bargain 2.0 Framework and Annexes, led by the Facilitation Group who sought to ensure a participatory, transparent and inclusive process. A consultative process was launched in September 2020 which included surveys for both signatories and non-signatories, constituency consultations (ongoing since November 2020), workstream consultations (March 2021), a series of Sherpa level meetings of the Facilitation Group, and a Principal level meeting on 01 February 2021. On 26 March 2021, the Facilitation Group Sherpas met to review the proposals submitted and discuss next steps. Given their experience of leading the Grand Bargain Annual Independent Reviews, the Facilitation Group also invited ODI to provide their views.

ROADMAP FOR THE GRAND BARGAIN 2.0

Roadmap for the Grand Bargain 2.0				
Strategic objective				
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				
Enabling priorities				
A critical mass of quality funding is reached that allows an effective and efficient response, ensuring visibility and accountability		Greater support is provided for the leadership, delivery and capacity of local responders and the participation of affected communities in addressing humanitarian needs		
Outcome pillars				
Flexibility, predictability, transparency, and tracking	Equitable and principled partnerships	Accountability and inclusion	Prioritisation and coordination	
Workstreams				
WS 1 – Greater transparency	WS 2 – Local and national responders	WS 5 – Needs assessments	WS 6 – Participation revolution	WS 9 Harmonised and simplified reporting
Political caucuses				
Cash coordination (November 2021 – March 2022)	Role of intermediaries (October 2021 – March 2022)		Quality funding (March 2022 – July 2022)	
National Reference Groups				
Established at country level to support greater engagement of local actors				
Cross cutting issues				
Gender		Risk sharing		

IMPLEMENTING THE GRAND BARGAIN 2.0

– WHAT YOU NEED TO KNOW

The strategic objective for the Grand Bargain 2.0 has been reframed. The original objective of the Grand Bargain was to improve the efficiency and effectiveness of the humanitarian system. The new objective now includes an explicit focus on measuring improved efficiency and effectiveness of the humanitarian system against “better humanitarian outcomes for affected populations”.

There are two new enabling priorities, often summarised as “quality funding” and “localisation”. These have been carefully crafted to ensure that they also integrate other crucial elements of the Grand Bargain, including efficiency and effectiveness, visibility, risk sharing, transparency and accountability – including to affected people.

The Grand Bargain 2.0 initially runs for two years – from 2021 to 2023. During the 2021 Annual Meeting, some signatories felt it was important to agree on a longer-term timeframe given the ambitious commitments of the Grand Bargain. However, 2023 is not necessarily the end. Signatories will take stock of progress in mid-2023 and agree on the future direction.

There is a new Eminent Person. The Facilitation Group formally announced the appointment of Mr. Jan Egeland, Secretary-General of NRC as Eminent Person, who took over from Ms. Sigrid Kaag, Netherlands Minister for Foreign Trade and Development Cooperation. While the role of the Eminent Person is to represent the interests of all signatories in the Grand Bargain, this is the first appointee to come from the NGO constituency.

The Facilitation Group continues to guide the Grand Bargain 2.0. As is the process each year, all Facilitation Group members have rotated (except for OCHA who is a permanent member). In support of localisation, the Facilitation Group has added an additional seat for a local actor representative. The Facilitation Group members for 2021/2022 include ECHO, Germany, OCHA, UNHCR, ICRC, ICVA and NEAR.

The Grand Bargain Secretariat continues to assist the Facilitation Group in steering the Grand Bargain 2.0 process forward through enhanced coordination, information sharing, communication and advocacy. The Secretariat is comprised of two staff based in Geneva, Switzerland.

The Grand Bargain 2.0 increases the focus on resolving political blockages through a series of caucuses. Caucuses are flexible, agile and time-bound groups for resolving specific political blockages that signatories have been unable to address through technical means, such as workstreams. Membership includes up to two self-selected ‘champions’, along with representatives from each constituency. Documents such as the [Criteria for Establishing Grand Bargain caucuses](#) and [Frequently Asked Questions](#) provide further details. The Eminent Person, in consultation with the Facilitation Group, initially called for the establishment of political caucuses to drive progress in three priority areas – cash coordination, the role of intermediaries, and quality funding.

Some of the original ten workstreams have closed, while others will continue with their work. Five workstreams (1, 2, 5, 6 and 9) will continue, although for Workstream 1 this will depend on the successful identification of new co-convenors. Four workstreams (3, 4, 7 & 8) have closed. Since 2018, Workstream 10 on the humanitarian and development nexus has been mainstreamed into other workstreams. More information on the workstreams is included in this briefing paper, and on the [Grand Bargain Secretariat website](#).

There is a renewed focus on greater participation of local actors. This includes the establishment of National Reference Groups (NRGs) which aim to translate global commitments and achievements to the country level, through greater engagement with local actors. Many signatories hope that the new Eminent Person’s significant NGO experience will facilitate strong momentum for this area of work.

There have been some changes to the priority crosscutting issues. The focus on gender will continue with an additional crosscutting issue focused on risk sharing. There is less of an overt focus on the humanitarian and development nexus in the framing of the Grand Bargain 2.0. This is partly due to a significant effort to support this work through the new Inter-Agency Standing Committee (IASC) Operational Policy and Advocacy Group (OPAG) Task Force on ‘Humanitarian-Development Collaboration and its Linkages to Peace’, which will run from March 2022 to December 2023.

ICVA'S TAKE ON THE GRAND BARGAIN 2.0

– SOME EARLY REFLECTIONS

Almost six years after the Grand Bargain was introduced, the need to improve the efficiency and effectiveness of humanitarian funding remains relevant more than ever.

Humanitarian needs continue to increase exponentially, with OCHA calling for a record USD \$41 billion to support 183 million women, men, girls and boys across 63 countries in 2022. The global response to the COVID-19 pandemic clearly demonstrated that there are ongoing issues with efficiency in humanitarian funding that prevent local actors from accessing resources where and when they are needed.

It is critical that signatories agree to take action to fulfil the commitments of the Grand Bargain, and not wait for others to act first. The “quid pro quo” principle has been closely associated with the Grand Bargain from the beginning. The commitments included in the agreement represent a collective set of complementary actions for different humanitarian stakeholders, that when accomplished together, are designed to improve the system. The goal of improving efficiency in humanitarian funding is not to benefit donors and their partners; it is to better meet the needs of affected people.

The Grand Bargain 2.0 represents a significant change to the logic and structure of the agreement. ICVA supports the organisation of the Grand Bargain commitments under the overarching enabling priorities of quality funding and localisation. In the midst of these reforms, we must ensure that signatories do not overlook the agreed commitments – particularly the core commitments – that are the foundation of the Grand Bargain. The shift towards a structure focused on resolving political blockages, enabling priorities, and better engagement with local partners will not be effective unless the link to underlying commitments is clear.

While signatories have achieved substantial progress across many of the Grand Bargain commitments, it is also clear that signatories have much more to accomplish. At the 2021 Annual Meeting, signatories took a decision to pass the responsibilities of the four closed workstreams (3, 4, 7 & 8) to other forums such as the IASC Operational Policy and Advocacy Group (OPAG) Results Groups. However, the IASC Principals have since agreed to transition the five IASC Results Groups to five time-bound OPAG Task Forces, which will run from March 2022 until December 2023. It is unclear where the commitments of some of the discontinued workstreams such as those focussed on reducing duplication and management costs (WS 4) and quality funding (WS 7 & 8) will be addressed moving forwards. There is also a risk that the progress made by these workstreams may be lost.

One of the key impacts of these changes to IASC structures is that the IASC will no longer include a structured forum focussed on humanitarian financing. Timely access to quality flexible funding as defined in the Grand Bargain commitments is vital for NGOs to respond effectively to humanitarian crises. Signatories need to consider how they will continue to implement quality funding commitments, outside of the few select priorities addressed by the Quality Funding Caucus. These IASC changes also highlight a missed opportunity to focus on the volume and quantity of humanitarian financing, in addition to quality funding.

It can be argued that the Grand Bargain 2.0 structure has become more fluid, informal and contextual than the previous iteration. These changes could be beneficial, as too much attention on structure and process may divert energy away from the initial commitments and underlying principles, which remain at the heart of the Grand Bargain to increase the efficiency and effectiveness of the humanitarian system. However, there is also a risk that this new approach will favour some actors and constituencies more than others. The dynamic and evolving nature of the Grand Bargain 2.0 means that there will be a period of adjustment as new ways of working are finalised and introduced.

While supportive of creative approaches to overcome political barriers, ICVA is mindful of the need for equitable representation and strong accountability of signatories in these forums. Membership of the political caucuses should ensure that the views of all constituencies are represented equally. Success of the political caucuses approach requires that signatories take their commitments seriously and choose to engage actively. The Facilitation Group should also aim to replicate the learnings and enablers that influence the success of the political caucuses, such as the value of having the Eminent Person as a champion.

For the Grand Bargain 2.0 to be effective, implementation of commitments must result in real change for local and national actors, affected people and their communities. Greater participation of diverse local actors throughout the process will contribute to enhanced ownership and more efficient and inclusive humanitarian action. ICVA supports both expanded direct participation in Grand Bargain global discussions, meetings, and workstreams by local actors as well as a focus on bringing the Grand Bargain to the country level. ICVA is committed to supporting efforts that reframe these processes to be more effective and inclusive.

The Grand Bargain 2.0 is still grappling with the right balance of meaningful participation and effectiveness. With the number of signatories growing significantly in the last five years, it is increasingly challenging to facilitate opportunities for a large number of signatories and actors to provide input and feedback, while ensuring the need for responsive and timely decision-making. This is particularly so, given the tendency to rely on closed, global conversations. As part of the implementation of Grand Bargain 2.0, it is critical to maintain momentum in the remaining workstream structures in addition to political caucuses. Engaging in constituency meetings and consultations with member networks will also be some of the most important ways NGOs can engage in the Grand Bargain 2.0 moving forwards.

The Grand Bargain 2.0 can do more to simplify and harmonise the Humanitarian Programme Cycle, ensuring that we maximise the opportunity to reduce administrative and process burdens on frontline responders, and increase the resources dedicated to assist people affected by crises. Doing this well involves a holistic approach across the system, ensuring clearer links between joint needs assessments, prioritisation of responses, transparency of costing methodologies used to estimate funding requirements, increasing the quantity and quality of funding provided to frontline responders, and simplifying donor contractual and compliance requirements including reporting.










Women and girls are often affected disproportionately in humanitarian crises, and it is critical that the humanitarian system is structured in a way that ensures women-led and women's rights organisations are represented in the leadership, planning, and implementation of the Grand Bargain. Although there is no dedicated workstream on gender within the Grand Bargain, there is a need to ensure that commitments are implemented in alignment with efforts to ensure gender equality and the empowerment of women and girls.

Risk sharing and accountability are critical to ensuring that sufficient levels of trust are maintained among Grand Bargain signatories to support mutual implementation of commitments. During the past couple of years, signatories have increasingly focused on issues of trust that guide the relationship between humanitarian donors and partners. The need to build trust, including more equitable sharing of risk, between donors and partners is an important foundation for moving the Grand Bargain forward beyond the concept of "quid pro quo". ICVA strongly supports efforts to better understand risk, improve risk sharing, and build trust in parallel to action on Grand Bargain commitments.

THE GRAND BARGAIN 2.0 WORKSTREAMS

To improve the effectiveness and efficiency of humanitarian action, the Grand Bargain initially identified 51 commitments organized into 10 thematic workstreams. One of the most important changes in the Grand Bargain 2.0 is the evolution of the workstreams. Some of the original ten workstreams have closed, while others will continue with their work.

Five workstreams (1, 2, 5, 6 and 9) will continue, although for Workstream 1 this will depend on the successful identification of new co-convenors. Four workstreams (3, 4, 7 & 8) have been discontinued. Since 2018, Workstream 10 on the humanitarian and development nexus has been mainstreamed into other workstreams.

Workstream	Status	Co-convenors
Workstream 1: Greater transparency	 Continuing	Netherlands and World Bank (currently seeking new co-convenors)
Workstream 2: Local and national responders	 Continuing	Denmark (taking over from Switzerland in 2022) and IFRC
Workstream 3: Cash-based assistance	 Discontinued	UK and WFP
Workstream 4: Reduce management costs	 Discontinued	Japan and UNHCR
Workstream 5: Needs assessments	 Continuing	ECHO and OCHA
Workstream 6: Participation revolution	 Continuing	USA and SCHR
Workstream 7 & 8: Quality funding <i>Previously Workstream 7 on Multi-Year Planning and Funding and Workstream 8 on Reducing Earmarks</i>	 Discontinued	Canada, Sweden, OCHA, UNICEF, ICRC and NRC
Workstream 9: Harmonised and simplified reporting requirements	 Continuing	Germany and ICVA
Workstream 10: Strengthening engagement between humanitarian and development actors	 Mainstreamed	Denmark and UNDP

Key – Workstream status



Continuing



Continuing, with new co-convenor/s



Discontinued



Mainstreamed into other workstreams

Key – Linkages with other Grand Bargain structures

WS

Workstream

CCC

Cash Coordination Caucus

RIC

Role of Intermediaries Caucus

QFC

Quality Funding Caucus

NRG

National Reference Groups

Workstream 1: Greater transparency

Summary of Grand Bargain commitments

Donors and aid organisations 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:
 - i. accountability of donors and responders with open data for retrieval and analysis;
 - ii. improvements in decision-making, based upon the best possible information;
 - iii. **a reduced workload over time as a result of donors accepting common standard data for some reporting purposes;** and
 - iv. 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:

Netherlands and World Bank
(currently seeking new co-convenors)

Helpful contacts:

Maxime Voorbraak, Netherlands
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What's been achieved?

A greater proportion of signatories (95 percent in 2021) are now publishing humanitarian funding data to the [International Aid Transparency Initiative \(IATI\)](#) Standard (that enables data to be openly accessible and comparable), and there have been improvements in the granularity and timeliness of data published by many signatories. The workstream has also piloted IATI data use tools for the COVID-19 response and to enhance the visibility of local actors.

What's happening now?

Workstream 1 continues to support the vision of data-driven transparency. Key priorities will be confirmed by the workstream following the appointment of new co-convenors, but these will likely include the strengthening of interoperability between data systems; enhanced data publication and use to improve humanitarian coordination, decision-making and accountability in support of the strategic priorities of localisation and quality

funding; and making the publication, tools and accessibility of open data responsive to the needs of the humanitarian sector.

Why does this matter?

High quality, granular and timely open data can enhance coordination, accountability and decision-making in humanitarian action and using a common standard across systems will reduce the reporting burden on actors. Improved reporting to IATI will also help demonstrate how funding moves through the transaction chain between donors, humanitarian responders and affected people and provide insight into the quality of this funding, which is key to monitoring progress against other commitments.

How can you get involved?

- Ensure your organisation meets the IATI Standard requirements and voluntarily reports all humanitarian aid flows through the OCHA Financial Tracking System (FTS).
- Participation in Workstream 1 is open to all Grand Bargain signatories. Interested organisations can join by contacting the Netherlands and World Bank co-convenors.

What's ICVA's take?

- ICVA is committed to supporting NGOs to learn about and adopt the IATI Standard, and improve the use of existing systems for aggregation and reporting of humanitarian data, such as the OCHA FTS and Humanitarian Data Cube.
- Sustained political leadership is necessary to ensure adequate data publication to IATI and the FTS, and support investment in the interoperability of these systems.

Summary of Grand Bargain commitments

Donors and aid organisations commit to:

1. **Increase and support multi-year investment in the institutional capacities of local and national responders, and incorporate capacity strengthening in partnership agreements.**
2. **Address barriers that prevent organisations from partnering with local and national responders.**
3. Support and complement national coordination mechanisms where they exist and **include local and national responders in international coordination mechanisms.**
4. **Provide at least 25% of humanitarian funding to local and national responders as directly as possible.**
5. Develop a 'localisation' marker to measure direct and indirect funding to local and national responders.
6. Promote funding tools that improve and increase assistance delivered by local and national responders.

Co-convenors:

Denmark (taking over from Switzerland in 2022) and IFRC

Helpful contacts:

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What's been achieved?

More signatories (13 in 2020) met the 25% target for humanitarian funding to local actors, and pooled funds to local actors increased.

Workstream 2 agreed on [key definitions and categories of measurement](#); held [country-level dialogues](#) (in Colombia, Nigeria, Philippines, Somalia and Syria) and a [peer-to-peer learning event](#); developed a package of [guidance notes](#); and supported the rollout of the [UN Partner Portal](#).

What's happening now?

Workstream 2 is currently finalising its annual work plan for 2022. Key priorities include quality partnerships; linkages between localisation and quality funding; [leveraging funding across the humanitarian-development nexus](#); and greater inclusion of local actors, particularly local women-led and women's rights organisations.

Why does this matter?

More support and funding to local actors is crucial in "making principled humanitarian action as local as possible and as international as necessary". However, many signatories have not met the 25% target, overall funds to local actors have increased marginally, and the COVID-19 pandemic has prevented significant transformational change.

How can you get involved?

- Workstream 2 is open to all Grand Bargain signatories and 20 local actors on an invite-only basis. Interested organisations can join by contacting the IFRC co-convenors. Interested organisations can also sign up to the mailing list by contacting Coree Steadman, IFRC coree.steadman@ifrc.org.
- Learn more about localisation at the [Grand Bargain Localisation website](#) and keep an eye out for planned [upcoming events](#) including a series of localisation dialogues with donors.

ICVA's take

- ICVA considers this workstream to be one of the most important of the Grand Bargain. ICVA advocates for improved NGO access to quality funding and recognises that local and national NGOs face additional barriers. Humanitarian action that is more inclusive of local actors remains a strategic priority for ICVA.
- Signatories should provide greater funding and capacity strengthening support to local actors to ensure they have the resources necessary for effective and sustainable frontline responses. Signatories should also do more to promote the visibility of local actors in humanitarian action.
- Workstream 2 co-convenors and signatories should continue to engage closely with the IASC Task Forces focused on localisation and accountability and inclusion, particularly on the continued rollout of the '[IASC Guidance on Strengthening Participation, Representation and Leadership of Local and National Actors in IASC Humanitarian Coordination Mechanisms](#)'.

Workstream 3: Cash-based assistance

Summary of Grand Bargain commitments

Donors and aid organisations 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.**
6. **Aim to increase use of cash programming beyond current low levels, where appropriate. Some organisations and donors may wish to set targets.**

Co-convenors:

UK and WFP

What's been achieved?

In 2020, all operational aid organisation signatories reported using cash assistance, and some have adopted 'cash first' policies. There has also been a rapid expansion of cash in social safety net programs in response to the COVID-19 pandemic.

What's happening now?

A Cash Coordination Caucus has been established to identify an arrangement for the coordination of cash assistance, and to improve outcomes for, accountability to and engagement of affected people and communities. More details are available in the Cash Coordination Caucus section of this paper.

Workstream 4: Reduce management costs

Summary of Grand Bargain commitments

Donors and aid organisations commit to:

1. Reduce the costs and measure the gained efficiencies of delivering assistance with technology (including green) and innovation.
2. **Harmonise partnership agreements and share partner assessment information** including data about affected people, in order to save time and avoid duplication in operations.

Donors commit to:

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

Aid organisations commit to:

4. **Provide transparent and comparable cost structures.**
5. Reduce duplication of management and other costs through maximising efficiencies in procurement and logistics for commonly required goods and services.

Co-convenors:

Japan and UNHCR

What's been achieved?

The Workstream has facilitated agreements on transparent cost structures as part of the UN Data Cube standard and greater cost efficiencies through joint procurement and logistics initiatives such as the UN Business Innovations Group, UN COVID-19 Supply Chain Task Force and UN Partner Portal.

What's happening now?

The co-convenors recommended that donor commitments to regular joint reviews and reducing individual donor assessments should be addressed by signatories in a separate risk sharing forum with the support of the Eminent Person, Netherlands and ICRC. More details are available in the Risk Sharing section of this paper.

Workstream 5: Needs assessments

Summary of Grand Bargain commitments

Donors and aid organisations commit to:

7. **Provide a single assessment of needs for each crisis.**
8. **Coordinate and streamline data collection.**
9. Share needs assessment data in a timely manner.
10. **Strengthen data collection and analysis within clusters / sectors.**
11. Prioritise humanitarian response based on evidence.
12. Commission independent reviews and evaluations of the quality of needs assessment findings.
13. Conduct risk and vulnerability analysis with development partners and local authorities.

Co-convenors:

ECHO and OCHA

Helpful contacts:

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Esther Waters-Crane, OCHA esther.waters-crane@un.org

What's been achieved?

Workstream 5 has delivered several important outputs including the [Data Entry and Exploratory Platform \(DEEP\)](#), an innovative system for compiling the evidence base for intersectoral analysis and the [Joint Intersectoral Analysis Framework \(JIAF\)](#), endorsed by the IASC and rolled out as part of the 2021 Humanitarian Programme Cycle (HPC).

What's happening now?

The key priority is to strengthen and institutionalise the JIAF with all stakeholders across the HPC, including cluster / sector lead agencies. This includes ensuring HPC processes such as humanitarian needs overviews (HNOs), humanitarian response plans (HRPs) and funding allocations are aligned with and informed by the JIAF.

Why does this matter?

The proliferation of uncoordinated needs assessments leads to duplication, wastes resources, and puts a burden on affected people. To increase the confidence and the relevance of needs assessments for all humanitarian stakeholders, needs assessments should be impartial, unbiased, comprehensive, context-sensitive, timely and up-to-date. They should also provide a sound evidence base for HNOs, HRPs and prioritised appeals.

How can you get involved?

- Learn more about needs assessments on the [JIAF website](#).
- Workstream 5 is currently dormant; however, NGOs can participate in the Joint Intersectoral Analysis Group (JIAG). Interested organisations can join by contacting co-convenor ECHO and the JIAF PMU.
- NGOs are encouraged to actively engage in humanitarian coordination mechanisms such as Humanitarian Country Teams (HCTs) and cluster/sector working groups, and the preparation of HNOs and HRPs.

What's ICVA's take?

- Signatories and other international humanitarian actors must facilitate the engagement of local actors in joint needs assessments, coordination mechanisms and planning processes to ensure that assessments meaningfully reflect the context and the needs and priorities of affected people. Joint assessments also increase the efficiency and effectiveness of responses.
- While some donors have expressed interest in this workstream, others continue to allocate funds based on thematic interests, agendas and/or through preferred domestic partners, or rely on individual needs assessments. More political support from donors is required to enforce system wide changes, adopt reforms, and allocate sufficient resources.
- There are also important linkages between coordinated needs assessments and quality funding, including the process for prioritising appeals and funding allocations, and multi-year planning and funding.

Summary of Grand Bargain commitments



Donors and aid organisations commit to:

1. **Improve leadership and governance mechanisms of the HCT and clusters / sectors.**
2. **Develop common standards and a coordinated approach for community engagement and participation.**
3. Strengthen local dialogue and 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 all HRPs demonstrate analysis and consideration of inputs from affected communities.**

Co-convenors:

USA and SCHR

Helpful contacts:

David DiGiovanna, USA digiovannadc@state.gov

Gareth Price-Jones, SCHR schr@ifrc.org

What's been achieved?

There is now an [agreed working definition of participation](#); specific guidance in the '[Handbook for UN Resident and Humanitarian Coordinators](#)'; good practice examples; a set of [success indicators](#) to measure progress; and a [stakeholder analysis](#) identifying remaining obstacles to effective participation and proposals to address them.

What's happening now?

Workstream 6 continues to support the meaningful inclusion of affected people in humanitarian action. Workstream members are conducting a mapping exercise to define a problem statement for the Role of Intermediaries Caucus; exploring how to address identified communication gaps among humanitarian staff; and working on actions to support risk communications, community engagement and accountability in programming.

Why does this matter?

Including people affected by humanitarian crises and their communities in decision-making is crucial to be certain that humanitarian action is relevant, timely, effective and efficient. Structured approaches to accountability and inclusion such as those outlined in the [IASC Commitments on Accountability to Affected Populations](#) and [Common Humanitarian Standard on Quality and Accountability](#) support the protection and fulfilment of human rights and dignity, and promote quality programming.

How can you get involved?

- Workstream 6 is open to all Grand Bargain signatories and other interested organisations. Interested organisations can join by contacting the USA and SCHR co-convenors
- If you are a Grand Bargain signatory, you can report your progress on participation using the agreed indicators. If you are not a signatory, you can still use them to report internally – to your donors, and to affected people themselves.

What's ICVA's take

- ICVA is committed to humanitarian action that “leaves no one behind” by ensuring responses are inclusive, contextualised and responsive to the needs, perspectives and priorities of affected people and their communities.
- ICVA promotes the meaningful participation of local actors in humanitarian action, and supports NGOs to ensure that responses better reflect age, gender, disability and other diversity considerations of affected people.
- While humanitarian actors have agreed to a number of frameworks such as IASC Commitments on Accountability to Affected Populations and the Common Humanitarian Standard on Quality and Accountability, we still need to ensure their consistent application on the ground and that meaningful participation of affected people and their communities occurs in practice and change the way we work.
- There is a need for close collaboration between Workstream 6 co-convenors and signatories and the new IASC Task Forces, particularly those focussed on Accountability to Affected Populations and Localisation.

Summary of Grand Bargain commitments



Donors and aid organisations 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 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.
4. **Jointly determine, on an annual basis, the most effective and efficient way of reporting on unearmarked and softly earmarked funding.**
5. 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.

Donors commit to:

6. 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** (see annex on earmarking definition in the [Grand Bargain-A Shared Commitment to Better Serve People in Need](#)).

Aid organisations commit to:

7. 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)
8. Increase the visibility of unearmarked and softly earmarked funding, thereby recognising the contribution made by donors.

Co-convenors:

Canada, Sweden, OCHA, UNICEF, ICRC and NRC

What's been achieved?

The workstream has enabled a greater understanding of the nature of quality funding and why it is important for frontline responders.

Canada and Sweden developed guidance on quality funding definitions, and FAO, DI and NRC produced a '[Catalogue of quality funding](#)' which collated examples of funding mechanisms and arrangements that were considered to be 'quality funding'.

The workstream generated an array of evidence on the benefits of quality funding, and challenges faced by donors in increasing the provision of more predictable and flexible funding. UNICEF also led an [assessment on cascading quality funding to partners](#).

Donors have continued to increase the volume and percentage of quality funding they provide – with Denmark, Ireland, the Netherlands, Slovenia and the UK notable examples in 2020.

What's happening now?

The co-convenors agreed that the workstream's current format would not enable further progress on quality funding; particularly the remaining political barriers, which are linked to broader policy issues.

A Quality Funding Caucus has been established to address priority remaining blockages preventing expanded use of quality funding, particularly cascading to local actors, including women-led and women's rights organisations.

The co-convenors also identified that signatories need to undertake further work to adopt an improved common understanding and measurement of quality funding which considers the timeliness, flexibility and predictability of funding; and to enhance the accountability and visibility of quality funding, including through results reporting.

More details are available in the Quality Funding Caucus section of this paper.

Workstream 9: Harmonised and simplified reporting requirements

Summary of Grand Bargain commitments

Donors and aid organisations commit to:

1. **Simplify and harmonise reporting requirements 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:

Germany and ICVA

Helpful contacts:

Ann-Jasmin Krabatsch, Germany s08-2@auswaertiges-amt.de
Jeremy Rempel, ICVA Jeremy.Rempel@icvanetwork.org

What's been achieved?

The [8+3 Template](#) is a new approach to narrative reporting. Developed by Germany, ICVA and the Global Public Policy Institute (GPPI). The template includes a menu of standardised questions that each donor can tailor to fit their individual information needs when they asked partners to report on humanitarian activities.

The template is known as the 8+3 Template as it includes eight 'core' questions and three 'additional' questions based on common reporting practices. It is important to note that the 8+3 Template represents a maximum approach – donors are free to request reporting on fewer items so long as the questions are selected from the 8+3 list.

Nine donors and UN agencies (Canada, France, Germany, Netherlands, OCHA, Switzerland, UNHCR, UNICEF and WFP) have adopted the 8+3 Template as the reporting standard for agreements with partners. Some other signatories are using the template partially – either in certain countries, in relation to certain funding models, or offer it as an optional template for partners to use.

What's happening now?

The key priority is to continue to rollout the 8+3 template and get more signatories to adopt it. The workstream may consider harmonisation of other elements of the humanitarian project cycle such as proposal formats, financial reporting, or cost classifications, along with quality funding issues related to accountability and visibility.

Why does this matter?

The 8+3 Template reduces the time and resources partners have to invest in donor reporting, as it provides a single consolidated template. The template streamlines reporting by asking questions in a logical order while eliminating duplication. It is also simpler and easier to use, particularly for non-native English speakers.

How can you get involved?

- Learn more about the 8+3 Template on the [Harmonised Reporting website](#).
- Watch the 8+3 Template [webinar recording](#) from May 2021, and keep an eye out for future webinars.
- Interested NGOs who want to get involved in supporting simplified and harmonised reporting can join ICVA's Humanitarian Financing Working Group by contacting Alon Plato, ICVA alon.plato@icvanetwork.org

What is ICVA's take?

- A number of signatories have already adopted the 8+3 template. We would like to see more signatories follow their lead to minimise the burden of reporting for NGO staff at headquarters and country level. It is particularly important for additional UN agencies and donors to fully adopt the 8+3 template.
- Although use of the 8+3 Template represents a change in reporting format, the template was specifically designed to meet donor information needs without sacrificing accountability. Reports will still contain largely the same information as before, but consistent use of a common template across donors will greatly relieve the reporting burden on partners, enabling staff resources to focus more on response.

Workstream 10: Strengthening engagement between humanitarian and development actors

Summary of Grand Bargain commitments

Donors and aid organisations 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:

Denmark and UNDP

What's been achieved?

Some workstreams such as 2 (local and national responders), 3 (cash assistance) and 5 (needs assessments) have made progress on nexus-specific activities. There are also examples of signatories reporting efforts to harmonise, merge or integrate institutional resources across humanitarian, development and peacebuilding spheres, and undertake joint data collection and analysis, technical collaboration, and learning and capacity strengthening initiatives.

What's happening now?

While this workstream began with some momentum, in 2017 signatories expressed concern that the Grand Bargain offered limited benefit to the nexus agenda given other policy processes, including within the OECD-DAC group and in relation to the UN Reform Process and the New Way of Working. In 2018, the co-convenors took the decision to close the workstream, and [mainstream the commitments](#) across the other nine workstreams.

Cash Coordination Caucus

Champion:

Eminent Person

Members: US, ECHO, OCHA, UNHCR, UNICEF, WFP, Red Cross Red Crescent Movement, ICVA, A4EP and CCD. CaLP and CashCap are technical experts and the World Bank is an observer.

Helpful contacts:

Clarissa Crippa, Eminent Person's Office clarissa.crippa@nrc.no

Jeremy Rempel, ICVA Jeremy.Rempel@icvanetwork.org

Kate Hart, CaLP Kate.Hart@calpnetwork.org

What's been achieved?

Over the last five years, Workstream 3 on cash-based programming made notable progress under the leadership of UK and WFP. In 2020, all operational aid organisation signatories reported using cash assistance in some form, and some organisations have adopted 'cash first' policies. There has also been a rapid expansion of cash in social safety net programs in response to the COVID-19 pandemic.

The workstream established six subgroups focused on cash and local partnerships, cash and gender, cash and risk, tracking cash and voucher assistance, linking cash and social protection, and tackling political blockages to effective humanitarian action. Together, these groups have developed a significant output of research, guidance, case studies and toolkits. Highlights include the new technical guidance and standards on the [tracking of cash assistance programming](#), along with [outcome indicators for multi-purpose cash assistance programming](#).

What's happening now?

Despite this progress, the structure for cash coordination remains ad hoc and weak in many contexts. In June 2021, USAID and the CaLP Network sent [A Call for Action](#) signed by 95 humanitarian organisations to the outgoing Emergency Response Coordinator (ERC) Mark Lowcock, calling on the ERC and IASC to take a decision on the leadership and scope of cash coordination within the broader humanitarian coordination architecture. In July 2021, the Eminent Person responded by proposing a political caucus on cash coordination, and in October 2021, incoming ERC Martin Griffiths expressed his support to resolve the issue.

The EP and the FG officially launched the Cash Coordination Caucus at the end of November 2021. The [proposed strategy](#) outlined three phases of the caucus to run until March 2022. In February 2022, the Principals made a decision on the preferred model, which was then formally presented to the IASC for adoption.

The [endorsed outcome document](#) proposes the establishment of a two-tiered structure for cash coordination, with formalised Cash Working Groups (CWG) at the country level, and a global Cash Advisory Group (CAG) to provide advisory services. The caucus called for IASC to develop a transition plan before the next Grand Bargain Annual Meeting in June 2022, which outlines the steps to implement the new model. A review of the cash coordination structure will also be conducted in 2024 to assess its performance and adapt as needed.

Why does this matter?

Cash-based programming now accounts for 20% of total humanitarian spending and will likely continue to increase, but a lack of clarity on cash coordination is affecting the quality, effectiveness and timeliness of cash programming in humanitarian response.

How can you get involved?

- Join the [Global Cash Working Group](#) mailing list by contacting Lynn Yoshikawa, CaLP lynn.yoshikawa@calpnetwork.org.
- Read the ['2020 State of The World of Cash Report'](#) to learn more about the Grand Bargain's work on cash.
- Follow the latest updates on the [Grand Bargain](#) and [CaLP](#) websites, including the [CaLP live timeline](#).

What's ICVA's take?

- It is essential that outcomes for affected people and their communities drive the agreed model for cash coordination, rather than institutional mandates and interests.
- Signatories would benefit from further clarity on the process for establishing the CAG including NGO representation in the group.
- There is also a need to ensure consistency in the implementation of the agreed model for cash coordination, particularly across country CWGs.

Role of Intermediaries Caucus

Champions: IFRC and SCHR

Members: Switzerland, ECHO, UNICEF, UNHCR, SCHR, IFRC, NEAR, A4EP

Helpful contacts:

Petra Demarin, IFRC petra.demarin@ifrc.org
Gareth Price-Jones, SCHR schr@ifrc.org

What's been achieved?

Over the last five years, Workstream 2 on local and national responders and Workstream 4 on management costs reported some important successes on improving quality of partnerships between international and local actors, particularly linked to the UN reform process. This includes agreements reached on transparent cost structures (through the [UN Data Cube Standard](#)), joint procurement and logistics (through the [UN Business Innovations Group](#) and [UN Covid-19 Supply Chain Task Force](#)) and the rollout of the [UN Partner Portal](#).

What's happening now?

The default operational model of the international humanitarian system continues to rely on intermediaries (an actor that channels funds to another partner) for implementation, which undermines the approach of aid reaching affected people "as directly as possible". Funding reaching local partners frequently passes through several layers of intermediaries before it reaches frontline responders. Political changes to provide space for local actors to lead, design and deliver principled humanitarian response in collaboration with affected people is urgently needed. In July 2021, the Eminent Person announced the establishment of a caucus on the role of intermediaries, which was officially launched in October 2021.

As the co-convenors of Workstream 2 on local and national responders, Switzerland and IFRC, along with SCHR, developed a [draft proposal](#) for the caucus, which builds upon the main findings and recommendations of the recent report '[Bridging the intention to action gap: the future role of intermediaries in supporting locally-led humanitarian action](#)'. UNICEF and NEAR are now working on a revised version of the proposal. It is expected the caucus will run between October 2021 – March 2022, with three Principal level meetings, and several technical level workshops (one of which was held in December 2021) to gather inputs and distil analyses.

The caucus will identify several concrete change areas for donors, intermediaries, and local actors to accelerate the shift towards this common vision. In January 2022, the caucus outlined further details of their proposal including defining a cohesive understanding of what an intermediary can be, and identifying the problem statement, objectives and mapping of specific roles. In March 2022, caucus members will seek Principal level sign-off on the proposition. From April 2022, onwards signatories will work to adopt the agreed changes.

Why does this matter?

The majority of local actors continue to receive humanitarian funds indirectly through partnerships with UN agencies and INGOs. Improving the quality of these partnerships in areas such as equitable decision-making, reducing management costs, and sharing overheads would result in significant improvements for local actors.

How can you get involved?

- Participation in the Role of Intermediaries Caucus is limited to members, however interested organisations can engage through their constituency focal points. NGOs can contact NEAR and A4EP.

What's ICVA's take?

- It is important to develop a collaborative vision for how UN agencies and INGOs can support local actors.
- The discussion on intermediaries, and the broader discussion on localisation, involve a complex network of issues and actors. For the caucus to remain effective it will be important to focus on manageable issues with clear proposals for action.
- In recent years ICVA has led work on simplifying and harmonising partnerships between UN agencies and NGOs, including supporting analysis of partnership agreements and overhead costs, developing COVID-19 funding flexibility guidance, and influencing the design and rollout of the UN Partner Portal.

Champions: IRC, other organisations to be determined

Members: To be determined

Helpful contacts:

Farida Bena, IRC farida.bena@rescue.org

What's been achieved?

This area of work started as two separate workstreams – Workstream 7 on Multi-Year Planning and Funding convened by Canada and UNICEF, and Workstream 8 on Reducing Earmarks convened by Sweden and ICRC. In 2018, the Workstream on Quality Funding brought these issues together under the leadership of six co-convenors: Canada, Sweden, OCHA, UNICEF, ICRC and NRC. An increasing number of donors (17 out of 25 at the end of 2020) have reported meeting the 30% target for provision of flexible funding, and a strong body of evidence has been developed on the nature and benefits of predictable and flexible funding.

What's happening now?

There has been no substantive, system-wide shift in the humanitarian financing landscape, and significant political blockages have continued to impede the actions of donors to provide better quality funding. In July 2021, the Eminent Person responded by proposing to establish a political caucus on quality funding. Recommendations from the [Senior Officials Meeting on Quality Funding](#), which was held in advance of the 2021 Grand Bargain Annual Meeting, identified three priority issues: multi-year funding; flexible and predictable funding; and the need to channel more quality funding to national and local organisations, directly or through intermediaries.

Since quality funding encompasses many different aspects it is expected that the first caucus will focus on addressing a narrower set of issues, for example, multi-year funding. The intent is to launch the caucus formally on 11 March 2022, with initial priority objectives completed in July 2022. During this period, the caucus will convene a series of Principals-level meetings and one Sherpa-level meeting. The caucus is also seeking technical inputs to inform their proposals, including legal advisory support. Signatories may form subsequent caucuses from mid-2022 in order to focus on other aspects of quality funding.

Why does this matter?

Lack of quality funding is one of the most significant barriers to greater localisation. The volume of humanitarian funding – both direct and indirect – to NGOs must increase. Quality (is flexible, multi-year and timely) funding is crucial to support humanitarian responses in protracted crises, and the long-term sustainability of local actors.

How can you get involved?

- Participation in the Quality Funding Caucus will be limited to members; however, interested organisations will be able to engage through their constituency focal points.
- ICVA is currently coordinating with members to identify priorities from the NGO perspective and will provide updates through ICVA's Humanitarian Financing Working Group. Interested NGOs can join by contacting Alon Plato, ICVA alon.plato@icvanetwork.org

What's ICVA's take

- This workstream has proven far more complex than originally envisaged in 2016, and Grand Bargain signatories have underestimated the interest of donors in supporting quality funding.
- ICVA considers this workstream to be one of the most important of the Grand Bargain. In recent years, ICVA has led work on advocating for greater levels of flexible and multi-year funding to NGOs and local actors, particularly related to the 2020 Global Humanitarian Response Plan for the COVID-19 pandemic.
- Additional support from the Eminent Person would facilitate greater progress in the work of this caucus, ensuring active participation by the different Grand Bargain constituencies.
- Given the closure of Workstreams 7 & 8, and the planned 2022 closure of the [IASC Results Group 5 on Humanitarian Financing](#), it will also be crucial to maintain a focus in other forums on access to quality humanitarian funding.

National Reference Groups

Champions: OCHA and NEAR

Members: To be determined

Helpful contacts:

Cathy Sabety, OCHA sabety@un.org

Alix Mason, NEAR amason@near.ngo

What's been achieved?

One of the main critiques of the original Grand Bargain was that although it embraced the 'localisation agenda' with the aim of making partnership and funding arrangements more favourable for local and national actors, it did so with limited representation and participation of local and national actors in these discussions.

What's happening now?

A series of National Reference Groups (NRGs) aim to translate global commitments and achievements to the country level, from "Geneva to Goma", and vice versa. NRGs will provide an informal platform for local actors to genuinely engage with and influence humanitarian leadership, coordination and decision-making mechanisms. NRGs will provide an enabling environment for local actors to engage in open dialogue, and when necessary, challenge signatories in a trusted environment and hold them accountable. NRGs will avoid duplicating existing coordination mechanisms, and will draw upon existing platforms and networks where these exist.

NRGs will be driven by local realities and highly adaptive to the context. As such, the leadership, membership and structure of NRGs will be determined on a country-by-country basis. There may also be scope to create NRGs at the regional level. NRGs will leverage the convening power of the Grand Bargain to bring together donors, UN agencies, NGOs, government authorities, media, academics and affected people. Membership of NRGs should be small, ideally limited to a maximum of ten representatives. NRGs will pay particular attention to ensuring a diversity of views, including participation and leadership of women's rights organisations, women-led organisations, disabled peoples' organisations and youth groups.

NRGs will focus on translating the outcomes of political caucuses and workstreams from the global to the country level, while also identifying specific issues that require resolution through political caucuses. NRGs will initially rollout pilots or "NRG Showcases" in several countries to test and review the model. Feedback loops between global structures and NRGs will be crucial. To enable these linkages, NRG convenors

may be required to become signatories, participate in annual meetings, or report periodically to the Facilitation Group and signatories via the Grand Bargain Secretariat.

Why does this matter?

The Grand Bargain is no longer an initiative only among high-level international signatories. Greater participation of local actors and affected people will contribute to enhanced ownership and more inclusive humanitarian action. NRGs offer an opportunity to amplify the voices of frontline responders and influence humanitarian system reforms.

How can you get involved?

- Local actors interested in establishing an NRG are invited to draft a terms of reference (ToR) and connect with the Facilitation Group through their constituency focal points. NGOs can contact ICVA or NEAR. OCHA and NEAR have developed a [guidance note and step-by-step guide](#) to inform the process.

What's ICVA's take

- We welcome the establishment of NRGs to strengthen the role of local actors in the Grand Bargain. To support meaningful engagement of NRGs we recommend a balance between contextual and consistent common approaches across NRGs. Above all, NRGs must be locally led to act as a legitimate link between local interest and the Grand Bargain global structure.
- It is also important to manage expectations with local actors. Out of the current signatory membership, just three are local actors. As the NRGs are developed, it is critical to provide clear guidance on how they can be engaged in relevant dialogue and decision-making within the Grand Bargain, given that most local partners are not formal signatories. Clarifying local representation and voice with the Grand Bargain structure will be more meaningful than a large expansion of signatories.

Crosscutting issue: Gender

Over the last five years, the Friends of Gender Group (FoGG) has been a champion for gender equality and women's empowerment in the Grand Bargain.

Champions: UN Women and CARE

Members: The FoGG Advisory Group includes UN Women, CARE, Action Aid and Oxfam. The FoGG Coordinating Committee of Women-Led Organisations includes REBHI – Nigeria, HRSS – South Sudan, CHI – Liberia, AWO – Jordan, and CAVP – Cameroon). Members of the FoGG include signatories from donors, UN agencies and NGOs.

Helpful contacts:

Maria Karadenizli, UN Women maria.karadenizli@unwomen.org
Joe Read, CARE Joe.Read@care.org

What's been achieved?

One of the key critiques of the original Grand Bargain was the lack of focus on gender equality and women's empowerment. To address this glaring gap, in 2016 UN Women convened a small group of signatories to create the FoGG as a mechanism to mainstream gender equality and women's empowerment throughout the implementation of the Grand Bargain commitments. The FoGG have prioritised engagement with five workstreams: WS 2, WS 3, WS 5, WS 6 and WS 7 & 8, [providing guidance](#) on how to integrate gender considerations in workstream activities.

The FoGG spearheaded the inclusion of gender questions in the Grand Bargain annual self-reporting process (introduced as a mandatory reporting requirement in 2019), and regularly contributes to annual statements and meetings. Between July and August 2019, held [global and regional consultations](#) in Geneva, Addis Ababa, Amman and Jakarta to support the development of linkages with local women-led and women's rights organisations.

What's happening now?

The Grand Bargain 2.0 Framework has integrated a critical focus on gender, in line with the [Inter-Agency Humanitarian Evaluation \(IAHE\) on Gender Equality](#). At least one Facilitation Group member will be responsible for representing the views of the FoGG to ensure gender is reflected across the Grand Bargain. The FoGG plans to continue engagement on needs assessments, particularly the JIAF, along with further work on risk sharing. The FoGG are also considering the appointment of an additional co-chair to represent the donor constituency, working to secure funding to support the FoGG Coordinating

Committee of Women-Led Organisations, and considering the benefits of championing a political caucus on quality funding and gender with Canada.

Why does this matter?

Women-led and women's rights organisations continue to be excluded, and women and girls remain underrepresented in humanitarian crises. Women-led and women's rights organisations must meaningfully engage in humanitarian action and the Grand Bargain, and access quality funding as a key enabler for localisation.

How can you get involved?

- The FoGG is open to Grand Bargain signatories, and all women-led and women's rights organisations. Interested organisations can join by contacting the UN Women and CARE co-convenors.
- Read reports on gender in the Grand Bargain and the FoGG: ['Grand Bargain Annual Meeting Statement – Friends of Gender Group'](#) and ['From words to action – Promoting gender equality and transformative action through the Grand Bargain: Role of the Friends of Gender Group'](#).

What's ICVA's take?

- ICVA is committed to ensuring that humanitarian coordination mechanisms are inclusive, contextualised and promote the meaningful participation of local actors, including women-led and women's rights organisations.
- The difficulty of tracking humanitarian funding for programming related to gender equality and women's empowerment remains a barrier for quality funding to women-led and women's rights organisations.

Focal Points: Netherlands, ICRC and InterAction

Helpful contacts:

Maxime Voorbraak, Netherlands maxime.voorbraak@minbuza.nl

Samar Al Attar, ICRC sal-attar@icrc.org

Lindsay Hamsik, InterAction lhamsik@interaction.org

What's been achieved?

While not explicitly referenced in the original language of the Grand Bargain commitments, signatories have facilitated research, dialogue and consultations focused on the financial, reputational and operational risks inherent in humanitarian action, and corresponding mitigation measures. Risk management and risk sharing were also included as topics on the agenda at the 2019 and 2020 Grand Bargain Annual Meetings. There have also been some tangible improvements amongst signatories, for example, UNHCR has refined its risk-based approach to categorise NGO partners into three risk categories.

What's happening now?

Ahead of the Grand Bargain Annual Meeting, in May 2021 Netherlands and ICRC put forward a [statement on risk sharing](#), which outlines specific actions to help signatories move towards the collecting sharing of risks in humanitarian action. In January 2022, Netherlands, ICRC and InterAction convened a meeting of the Risk Sharing Platform, which brought together risk management experts from donors, UN agencies, Red Cross Red Crescent Movement, NGOs and research institutes.

The meeting was a first step in accelerating progress towards an improved approach to risk management. Participants explored opportunities to identify good practices and share learning, as well as develop messages on how risk sharing contributes to advancing the localization and quality funding agendas. The insights shared in the meeting will inform the next steps and activities. Depending on the outcome of this work, signatories may establish a caucus in future.

Why does this matter?

While risk awareness is embedded in the culture of humanitarian work, risk management is not. Therefore, it is critical for NGOs to understand how to identify and manage risk. Improved management of risk can provide a pathway for donors to provide partners with more funds, over longer periods, with reduced oversight burdens.

Local actors often face the greatest burden in risk management of humanitarian action. Central to such improvement are issues like risk transfer (the passing of risks on through the chain of humanitarian funding) and risk sharing (the equitable management of appropriate levels of risk among partners), among others.

How can you get involved?

- While there are no formal structures yet to support work on risk sharing, interested organisations can follow the discussion through updates to the [Grand Bargain Secretariat website](#).
- Learn more about risk management for NGOs through these resources: '[ICVA Risk Management in Practice](#)'.

What's ICVA's take?

- Risk sharing is a critical crosscutting issue to achieve the overarching objectives of the Grand Bargain for greater efficiency and effectiveness of humanitarian aid. Signatories must move the discussion from risk transfer, to risk sharing (particularly with local partners) when things go wrong.
- Risk sharing approaches should be embedded across all Grand Bargain efforts. ICVA wants to see more joint donor assessments, expanded rollout of the UN Partner Portal and 8+3 template, increased transparency of financial and results data, and strengthened investments in the institutional capacities of local partners.
- As co-chair of the [IASC Results Group 5 on Humanitarian Financing](#), ICVA has been working to leverage synergies between the group's work plan and broader risk sharing initiatives, including on simplified due diligence and risk management processes for partners in the COVID-19 response.

FOLLOWING UP THE GRAND BARGAIN 2.0

Grand Bargain Facilitation Group

The Grand Bargain continues to be guided by a Facilitation Group intended to act as a consensus-based governance body of the Grand Bargain process. Members of the Facilitation Group are responsible for representing the views of their constituencies (donors, UN agencies and NGOs), rather than their own institutional / agency position. The main responsibilities of the Facilitation Group include supporting the activities of the political caucuses, workstreams and NRGs; collecting and analysing the signatories' self-reporting, commissioning an independent annual report, and planning the annual meeting. The Facilitation Group meet regularly (at least monthly, sometimes more frequently) with a rotating chair (normally every two months).

Current and previous Facilitation Group members are as follows:

2021/2022 Facilitation Group: ECHO, Germany, OCHA, UNHCR, ICRC, ICVA, NEAR

2020/2021 Facilitation Group: ECHO, UK, OCHA, WFP, IFRC, SCHR

2019/2020 Facilitation Group: ECHO, UK, OCHA, WFP, ICRC, SCHR

2018/2019 Facilitation Group: USA, Sweden, OCHA, UNICEF, IFRC and InterAction

2017/2018 Facilitation Group: Germany, United Kingdom, OCHA, UNHCR, ICRC and InterAction

2016/2017 Facilitation Group: ECHO, Switzerland, WFP, OCHA, UN Women, IFRC and SCHR

Grand Bargain Secretariat

The Grand Bargain Secretariat, supported by ECHO and hosted by NRC/NORCAP, assists the Facilitation Group in steering the Grand Bargain process forward through enhanced coordination, information sharing, communication and advocacy. The Secretariat helps to enhance cooperation and communication with signatories and non-members to make the Grand Bargain process more inclusive and transparent. The Secretariat also supports linkages between the Grand Bargain and the IASC Secretariat, with the aim to minimise duplication of activities and functions. The Secretariat is comprised of two staff based in Geneva, Switzerland. Further details are available on the [Grand Bargain Secretariat website](#).

Eminent Person

The Grand Bargain is championed by an Eminent Person, responsible for promoting and advocating for the advancement of the Grand Bargain commitments. In 2021, Jan Egeland, Secretary-General of NRC became the Grand Bargain Eminent Person, taking over from Sigrid Kaag, Minister for Foreign Trade and Development Cooperation (the Netherlands), who succeeded Kristalina Georgieva, from the World Bank in 2019.

Becoming a signatory to the Grand Bargain

NGOs who want to sign the Grand Bargain are welcome to do so by submitting an application to the Grand Bargain Secretariat gbsecretariat@un.org, who will share it with the Facilitation Group for their consideration. Grand Bargain signatory applications are open every year from July to January, and closed from February to July, due to the processes that take place during that period, including self-reporting and the annual meeting.

Some of the benefits for NGOs of being a Grand Bargain signatory include opportunities for greater and more diverse representation of NGOs in Grand Bargain discussions, participation in constituency level and bilateral dialogues with other signatories, and attendance at the annual meetings.

The Grand Bargain is not a binding agreement, but signatories must take the commitments seriously by accepting the principles and the spirit of the Grand Bargain, and agreeing to the “quid pro quo” approach. Signatories are also required to report annually on how they are achieving the commitments. It is important to note that being a signatory means being a member to the whole Grand Bargain process. It is not possible to focus only on specific topics or activities; rather it is necessary to work towards advancing all Grand Bargain commitments.

Grand Bargain reporting

Each Grand Bargain signatory is required to report annually on its progress to advance and implement the commitments of the Grand Bargain. The self-reporting exercise provides accountability towards the wider humanitarian community, beneficiaries and other stakeholders. Submissions are due in February each year, and the final reports are published on the [Grand Bargain Secretariat website](#). These reports are also used as a starting point for the analysis provided by an independent annual report. This report assesses the progress of each workstream, and of the overall Grand Bargain initiative Commissioned by the Facilitation Group, in 2017, the report was compiled by GPPI. Since 2018, the reports have been compiled by ODI.

Grand Bargain annual meetings

Annual meetings of the Grand Bargain are open to all signatories who have submitted their self-reports. The Secretariat has not yet confirmed the dates for the 2022 Grand Bargain Annual Meeting; however, it is likely to take place in June / July. Depending on the continued impacts of the COVID-19 pandemic, the meeting may be held in person, online, or in a hybrid format. In preparation for the meeting, constituency consultations are expected to take place in April / May 2022. Further details of the 2021 Grand Bargain Annual Meeting can be found in the [summary note](#).

ICVA'S EFFORTS IN HUMANITARIAN FINANCING

In ICVA's strategy

- Humanitarian financing is one of three focus areas in [ICVA's 2030 Strategy](#). ICVA will work to ensure financing of humanitarian action meets the needs of populations affected by crises while ensuring adequate NGO access to principled, quality funding.
- ICVA will support action in three strategic areas:
 - Increased efficiency within the humanitarian system to improve effectiveness of funding;
 - Expanded access to new sources of funding for humanitarian NGOs, especially including local and national organisations; and
 - Collaboration with stakeholders to better anticipate humanitarian needs and reduce the funding burden on the humanitarian system.

In the Grand Bargain

- ICVA served as one of three NGO consortia involved in negotiating the original text of the Grand Bargain in 2016. ICVA was also engaged in the design of the new Grand Bargain 2.0 Framework and annexes.
- In 2021/2022 ICVA is a member of the Grand Bargain Facilitation Group, responsible for representing the views of the NGO constituency.
- ICVA is a member of the Cash Coordination Caucus, which is responsible for agreeing on the model for cash coordination.
- ICVA and Germany co-convene Workstream 9 on harmonised and simplified reporting.

Through the IASC

- ICVA serves as one of three NGO consortia participating in the 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 and OCHA co-chair an IASC subsidiary body known as Results Group 5 on Humanitarian Financing which works towards reducing humanitarian funding gaps, the difference between the financial resources available and those required to meet humanitarian needs, through advocating for strengthening the provision of quality financing, innovative funding approaches and strengthening aid effectiveness through simplifying and harmonising financing system. Results Group 5 is delivering against four priority workstreams:

- These priority workstreams are all relevant to the Grand Bargain, and the Results Group has a formal role in implementing, often in collaboration with GHD donors, certain elements of the Grand Bargain.
- ICVA members can contribute to these efforts by joining ICVA's Humanitarian Financing Working Group, which is open to ICVA's NGO members.

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 Humanitarian Financing Working Group.
- This Working Group, previously known as the Donor Conditions Task Force, has steered ICVA's Less Paper More Aid initiative, which reached out to NGO country 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 harmonisation and partner capacity assessments.

Key contacts

For further information on ICVA's humanitarian financing work, contact Jeremy Rempel, Head of Humanitarian Financing jeremy.rempel@icvanetwork.org and Alon Plato, Humanitarian Financing Officer alon.plato@icvanetwork.org.



A GLOBAL NGO NETWORK
FOR PRINCIPLED AND EFFECTIVE
HUMANITARIAN ACTION

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